

# The National Underwriter

## LIFE INSURANCE EDITION

FRIDAY, DECEMBER 18, 1931



National Life Insurance Co. of the U. S. of A.  
A. M. Johnson, Chairman of the Board.

## Another Year Ahead

During the year 1932 continuity of effort in field and home office will be all important to the continued success of the individual and the institution. Progress during 1932 will be founded upon continued, sustained effort, courage and team work.

National Life of the U. S. of A. representatives will carry on aided and strengthened by:

Accident and Health in combination  
with Life

Excess interest payments on income  
settlements and funds left on de-  
posit.

Juvenile Insurance

Practical Sales Preparation Course

Clubs and Conventions

Leads to live prospects

Liberal compensation on guaranteed  
low cost policies

Term Expectancy

Modified Life

Liberal Underwriting with Non-Med-  
ical and Sub-Standard.

Established 1868

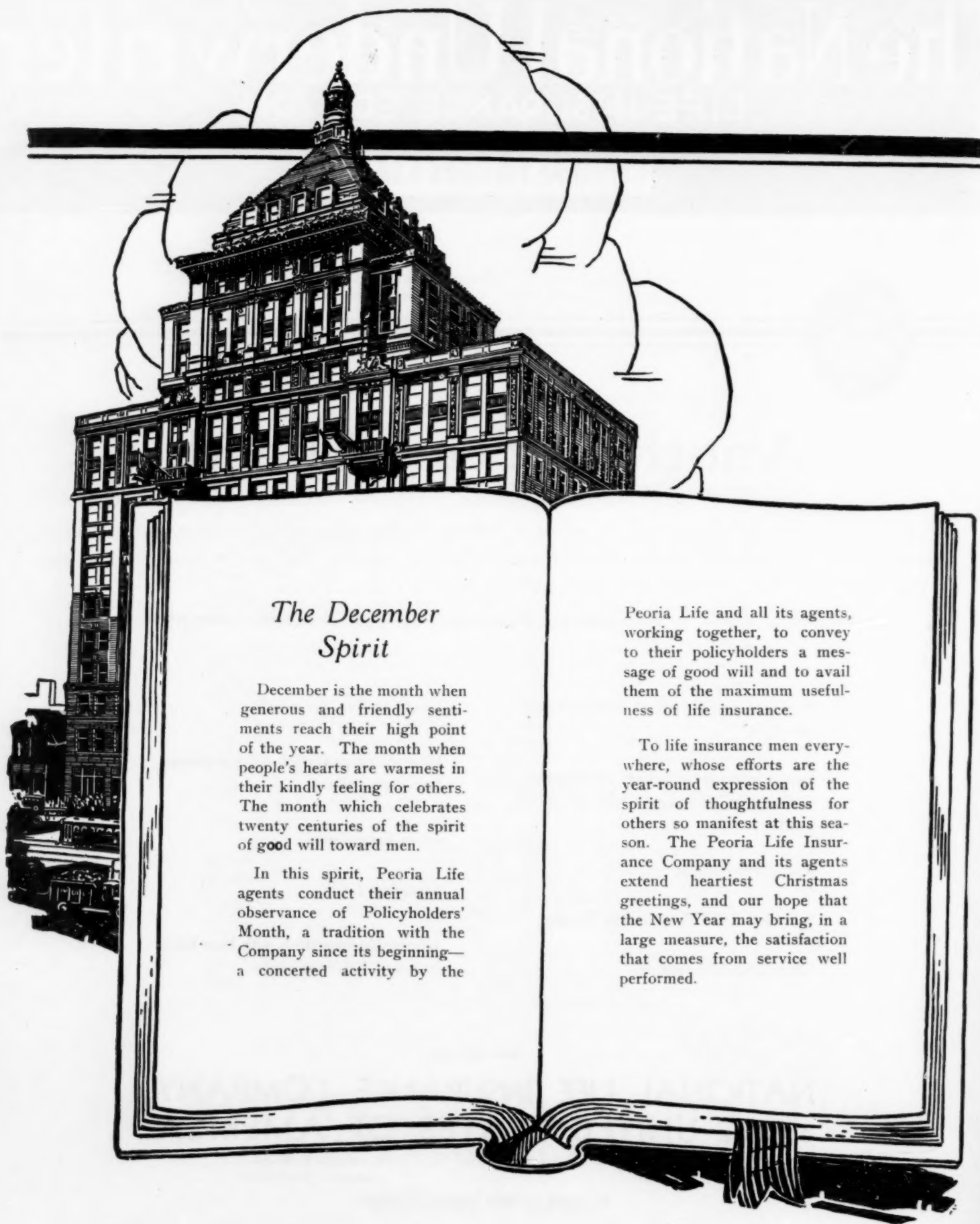
### NATIONAL LIFE INSURANCE COMPANY of the UNITED STATES OF AMERICA

Robert D. Lay  
President

Walter E. Webb  
Executive Vice-President

29 South LaSalle Street, Chicago

*A Fine OLD Company for Ambitious YOUNG Men*



## *The December Spirit*

December is the month when generous and friendly sentiments reach their high point of the year. The month when people's hearts are warmest in their kindly feeling for others. The month which celebrates twenty centuries of the spirit of good will toward men.

In this spirit, Peoria Life agents conduct their annual observance of Policyholders' Month, a tradition with the Company since its beginning—a concerted activity by the

Peoria Life and all its agents, working together, to convey to their policyholders a message of good will and to avail them of the maximum usefulness of life insurance.

To life insurance men everywhere, whose efforts are the year-round expression of the spirit of thoughtfulness for others so manifest at this season. The Peoria Life Insurance Company and its agents extend heartiest Christmas greetings, and our hope that the New Year may bring, in a large measure, the satisfaction that comes from service well performed.

# Peoria Life Insurance Company

PEORIA, ILLINOIS

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# The National Underwriter

## LIFE INSURANCE EDITION

Thirty-Fifth Year No. 51

CHICAGO, CINCINNATI, NEW YORK AND SAN FRANCISCO, FRIDAY, DECEMBER 18, 1931

\$3.00 Per Year, 15 Cents a Copy

### Atmosphere Now Is Being Cleared

Most Companies Have Decided  
on Their Course as to  
Disability

### MANY TO RETAIN CLAUSE

Mutual Offices Are Announcing the  
Policy They Will Pursue as  
to Dividends

NEW YORK, Dec. 17.—By this time most of the companies have decided what they will do as to the total and permanent disability clause, and the mutual companies have reached a decision as to their dividends, unless, perchance, no decision is customary until some time before the middle of next year.

There are decided views on the disability situation. Some companies contend that it has proved to be an illogical attachment to an insurance policy. They assert that it has introduced a moral hazard from which life insurance was largely free.

### Seek Relief in Disability Clause

The opponents of the clause claim that this time of depression has brought out the fact that many people do not hesitate to impose on companies when they are in urgent need of funds. Without much difficulty, they assert, policyholders can feign nervous prostration or some similar subtle disorder and run to the disability clause payment for cover. Some officials assert that it is impossible to get away from the moral hazard. This, they declare, is particularly true with women. They claim that it is almost impossible to tell whether a woman is totally and permanently disabled or not. The opponents say that disability coverage has caused innumerable disputes in adjustment and has engendered friction between policyholders and companies, thus forcing on life insurance a condition that was not present when life insurance alone was written.

### Declare Poor Judgment Was Shown

There are other officials who declare that the trouble that disability coverage has caused is not due to the character of the insurance itself, but largely to the way companies have handled this coverage. They say that the disability feature has not been properly underwritten. The life end of the bargain may have been subjected to careful scrutiny, but the disability has been approved because the applicant passed the life insurance test successfully. To laxity of underwriting, therefore, is charged many of the difficulties and ills. The competition has so liberalized the disability clause that it became very attractive. When any kind of insurance becomes profitable to the policyholder it is then dangerous. Undoubtedly this was the case with dis-

### Production Upward Trend in November Heartening

November production of new life insurance as reported by the Life Presidents' Association was only 1.7 percent less than for the same month of last year, which is by far the smallest percentage decrease shown by any month this year against the corresponding month of 1930. November was the best month, relatively, for industrial and ordinary insurance. The largest percentage increase during the year in industrial insurance was made in November when this class showed a gain of 10.5 percent over the same month last year. Ordinary insurance in November showed a decrease of only 9/10th of 1 percent from the amount for November a year ago. The cumulative total of new life

insurance production for the first 11 months of 1931 was 12.2 percent less than the amount for the corresponding period in the previous year.

For November, the total new business of all classes written by the 44 member companies was \$845,617,000 against \$861,047,000 during November of 1930, a decrease of 1.7 percent. New ordinary insurance amounted to \$587,678,000 against \$593,270,000, a decrease of 9/10ths of 1 percent. Industrial insurance amounted to \$230,344,000 against \$208,482,000, an increase of 10.5 percent. Group insurance was \$28,595,000 against \$59,295,000—a decrease of 51.8 percent.

### Figures for 11 Months

For the first 11 months, the total new business of these companies was \$9,967,817,000 this year against \$11,348,804,000 last year—a decrease of 12.2 percent. New ordinary insurance amounted to

\$6,737,466,000 against \$7,764,878,000, a decrease of 13.2 percent. Industrial insurance amounted to \$2,535,392,000 against \$2,622,327,000, a decrease of 3.3 percent. Group insurance amounted to \$694,959,000 against \$961,590,000, a decrease of 27.7 percent.

### Upward Trend Heartening

Although the 10.5 percent increase in the industrial department is encouraging, undue significance should not be attached to it. The comparison is against the worst month industrial experienced in 1930 and last month's figure was topped by six of the previous 10 months of 1931. The upward trend in ordinary is also heartening. The November figure is higher than any of the previous three months but it is also true that in only one month of 1930 were ordinary sales lower than last month.

ability. The opponents and proponents acknowledge that much. It became possible on numerous occasions for people to cash in on their disability clause to their advantage.

### Difficult to Make Selection

Where a company is writing a general class of business and has a large army of agents reaching out into the highways and byways, some officials say that it is impossible to dodge the deleterious effects of the disability clause. The very character of risks acceptable for life insurance coverage might make them dangerous from a disability standpoint. Some companies might write the disability coverage without unfortunate consequences, because the character of people written would assure a conscientious attitude for the most part, toward a company. There would not be the lack of conscience seen in the hoi polloi. Moral hazards would not be so apparent. Therefore, some companies, feeling they can play safe, will modify the disability clause in such a way that it will not be made attractive in that a policyholder will not receive sufficient monthly income to warrant a false or exaggerated claim.

### Demand Has Been Created

These companies are not yet convinced that the disability clause is not a logical attachment to the life insurance policy. They claim that the life companies have promoted this clause, the agents have talked it, the public is convinced that it is a good thing, and a demand has been created. Therefore, to take a backward step now and acknowl-

edge that the whole course was wrong, they claim, is a reflection on life insurance management. Agency pressure, of course, has had its effect as the field workers for the most part favor the clause. They acknowledge that it has been a very successful argument for life insurance. Those who are opposed to the clause do not object to the simple waiver of premium provision provided sufficient premium is charged for it. The companies continuing the clause in some form or other will have an advantage and, of course, will use it. Many of the larger companies are discontinuing monthly income disability and they have been aggressive contenders in the field.

### Action as to Dividend

Some companies have readjusted their dividend formula in order to take care of reduced earnings in this period of depression. Others are continuing the scale, undoubtedly feeling that the loss they would suffer in competition on account of it would be more than the aggregate amount saved in dividends decrease. The logical thing to do would be to adjust dividends according to the earnings of the time. Companies that have not decreased dividends over a long period of years feel a sense of pride in their record and hesitate to take the step. In the field today, those that have not reduced dividends or do not intend to do so, are using that fact as a soliciting argument. Companies that are continuing the income disability clause are also taking advantage of this fact in competition with companies that have

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### Dunham Tempers Valuation Stand

Will Weigh Other Factors Besides the Financial  
Statement

### TO EYE WHOLE STRUCTURE

Connecticut Commissioner Says He Will  
Give Consideration to Ordinarily  
Non-Admitted Items

HARTFORD, Dec. 17.—Although firm in his demand that insurance companies have no legal right to use figures of June 30, in valuing their securities under the Connecticut law, Commissioner Dunham has clarified his stand in the matter and brought out several points not stressed before.

Col. Dunham said he recognizes the possibility that conditions may be such Dec. 31 that it would be impossible to file a statement of "true condition" as of that date. In order to determine this it will be necessary to await developments on that day.

He adds, however, that he has no legal right to authorize the companies to file statements using mandatory dates, such as June 30, which date was recommended for use by the National Convention of Insurance Commissioners in New York last week.

### Statutory Duty

"I do not believe," Col. Dunham said, "that the people of Connecticut desire the insurance commissioner to assume to be above the law but are satisfied that he shall perform his statutory duty of seeing that the laws respecting insurance companies are faithfully executed."

Concerning the licensing of companies in Connecticut Col. Dunham points out that the financial statement of any company is not the only factor involved in determining whether permission to operate shall be granted. "It must not be forgotten," he said, "that while requirements as to financial reports are determined by laws which are not subject to the discretion of the commissioner, his action in granting or refusing a license to any company to do business in Connecticut is not conclusively determined by a technical dependence on the figures in its financial statement. He is expected to act in this matter upon a consideration of all factors legitimately affecting a rational practical judgment in the premises. For example, he may, and should, take into consideration, assets not admitted for the purpose of the financial report which, nevertheless, have real, though more or less, uncertain value. On the other hand, in judging whether a company can be expected to keep on meeting its obligations and contracts he will not rely explicitly on the figures of a financial report but will analyze as a practical business man the whole financial structure of the company."

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## Convention Report On Security Out

Livingston Exhibits Document in  
Michigan License Con-  
troversy

### INTERLOCKING DESCRIBED

Loans to Hult Company, Darby Day,  
W. E. Meyn Listed—Inter-South-  
ern Fees Explained

LANSING, MICH., Dec. 17.—The convention examination of the Security Life of Chicago, which has heretofore been unpublished, is now a matter of public record, having been filed as an exhibit, in connection with a motion of the Michigan attorney-general asking the federal district court at Detroit for permission to file an amended brief in answer to the Security's petition for a permanent injunction to restrain Commissioner Livingston from revoking its Michigan license. The date for hearing on the petition for injunction against Commissioner Livingston has been advanced from Jan. 11 to Dec. 21 at Detroit.

Mr. Livingston contends that the temporary injunction against him is no longer in force because it was conditioned upon maintenance of the Security's assets as of Dec. 31, 1930. An affidavit is attached to the motion that the Security's admitted assets shrank from \$11,149,340, as of Dec. 31, to \$10,932,539, as of July 31, and to \$10,804,771, as of Oct. 31.

#### Cash on Hand

Cash on hand and in banks, according to the exhibit was \$105,747, as of Dec. 31; \$20,025, July 31; \$20,932, Oct. 31. Borrowed funds of \$125,000 were included as an asset as of July 31 and this item amounted to \$105,000 in October, which must be balanced by equal liabilities or be rejected.

The convention examination states that the Security was "seriously insolvent."

The examination valued the 1,461,333 shares of Inter-Southern owned by the Security Life, at \$1.50—the price paid by the Keystone holding company. The Security paid \$1.94 a share for the Inter-Southern to the Keystone holding company and the Security carried the Inter-Southern at that figure. This mark down created non-admitted assets of \$649,525. The difference between its \$1.50 and \$1.94 was set up by the Security to pay \$400,000 commission, \$27,000 loss in sale of mortgages and \$170,000 loss on stock sales, together with attorney fees and traveling expenses.

#### Northern States Marked Down

The convention examination marked down the Northern States Life shares held by the Security from \$80 to \$51, resulting in non-admitted assets of \$332,515.

Because of the condition of the Inter-Southern and Northern States, the examination report expressed concern as to whether the Security would be able to meet interest on reserves. "We think the company's position acute and most unpromising," the report declared.

The examination report disputes the claim that the 147,900 shares of Missouri State Life held by the Inter-Southern constitute control. Unless the Missouri State Life should increase its dividend rate, the examination report questioned whether the Inter-Southern could pay a dividend.

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## Companies Give Decision on the Disability Clause

The Massachusetts Mutual makes an interesting announcement as to its disability clause in that it continues its present one with certain rules to be followed. The bulleting to agents says:

"Many companies have made material changes in the conditions under which the total and permanent disability benefit is granted. Other companies may make changes after the beginning of the year. Until further notice we will continue our present disability clause. This clause by its present terms will be more liberal than the majority of clauses being issued after the beginning of the year, and, in order to protect ourselves against undue selection, it is, therefore, necessary for us to ask your cooperation in observing the following rules:

"1. The income benefit will be granted to male lives only. Female applicants may, however, receive the waiver of premium benefit.

"2. The maximum amount of monthly income which will be granted to any applicant is \$125—including any existing disability income benefits in our company.

#### Aggregate Is Limited

"3. We will not grant disability income benefits to any applicant who already has disability income benefits aggregating \$500 a month in all companies, irrespective of the form of insurance—life, health and accident, or annuity—under which the benefits may be obtained.

"4. We will continue to issue disability benefits under our automatically convertible term insurance policies.

"5. The full disability benefits will not be granted on less than a total of \$2,500 of insurance, including existing policies in this company.

"6. The waiver benefit will not be granted on insurance in excess of \$50,000 in our company.

"7. Disability income benefits will be granted only to risks selected from a highly restricted group of occupations. Farmers, industrial workers generally, and other occupations under which there has been an excessive disability claim rate will be excluded. In a general way, we desire to grant such benefits only to salaried employees and business men.

#### National Fidelity Life

"8. No disability benefits will be granted under insurance written on corporation forms or under survivorship annuities.

"Until further notice premiums for both waiver and annuity benefits remain as at present, as well as the age limits within which the benefit is granted."

The National Fidelity announces discontinuance of income disability, but is continuing to grant waiver of premium

with one important change. The company states: "Our contracts which carry a guaranteed insurance or endowment option permit the insured to pay the maximum premium which purchases the yearly increases or the minimum which continues only the original face of the contract. Under our old waiver disability form only the minimum premium was waived, but since Dec. 1 the maximum premium is waived, which makes this coverage in connection with our leading policies very desirable."

#### Connecticut Mutual Life

The Connecticut Mutual on and after Jan. 1 will grant income disability only on male lives, between actual attained ages 15½ and 50½. Waiting period is extended to six months and income benefits will be retroactive for not more than six months instead of one year. The company cuts the income per \$1,000 from \$10 to \$5, income ceasing at maturity of endowment. Coverage extends to disability occurring before age 55 for both income and waiver portion of the benefit.

The maximum limits upon which income will be issued is \$25,000, or a maximum \$125 income per month; and the minimum policy with income disability will be \$4,000 or \$20 per month income.

#### Changes in Waiver Clause

Important changes also are made in the waiver clause. Waiting period is extended to six months. Premiums will be waived from commencement of disability as under the present clause, except that benefits will be retroactive from date of receipt of written notice of claims for not more than one year instead of one year and four months.

The coverage will extend to disability occurring before age 60 on male lives and age 55 on female lives as at present, and maximum and minimum limits as at present will continue. Waiver will be granted to single women but at a premium rate computed on twice as strict a basis as for men. The double indemnity agreement will give coverage to age 65 instead of 70, but in other respects remains unchanged.

#### Mutual Trust Life

The Mutual Trust Life of Chicago announces that it will discontinue disability income after Dec. 31, but will continue waiver without any rate change for the present; nor, for the time being, will there be any changes in double indemnity.

The company states: "Disability income has become not only an immeasurable hazard, but a disturbing factor both in home office and field. Courts are continually reading into the clause words and meanings for which the premiums charged never were intended to cover. Further, it appears impossible to prevent an erroneous impression of its meaning, regardless of how honestly it is sold. In the public minds disability benefit is becoming more and more associated with sick benefit. This results in ill feeling whenever a claim is resisted, even though it lacks all merit, and breaks down good will already built up. Again much life insurance is lost both to company and agent when applicants are found unacceptable for the income feature. And, lastly, to reduce the income to \$5 per \$1,000 of insurance; increase rates 50 or more percent; lower the age limits and tighten up on underwriting will, we are convinced, make the benefit wholly unattractive."

The Bankers Life of Nebraska is discontinuing income disability but retaining waiver of premium at increased rates. On the latter clause the waiting period is extended to six months and the

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## Country Seeking Rightful Levels

Keenest Observers See in Present  
Situation Temporary Eco-  
nomic Overbalance

### STUDY LESSONS OF PAST

Economic and Industrial History Would  
Be Enlightening Subject to  
Pursue at This Time

NEW YORK, Dec. 17.—One of the great life insurance presidents in the course of conversation said: "It should be compulsory for every man, woman and child to read the economic and industrial history of the United States." This statement was prompted by an inquiry directed to him as to whether in his opinion, the present business stagnation is more or less a temporary condition, or does it mark a radical change in the economic and political life of the nation. Walter Lippman, well known writer, in an editorial in one of the daily papers criticized the administration in Washington for regarding the situation in which the country finds itself today as a passing one which would right itself in due season, and not possessing the knowledge and imagination to observe the fact that the United States, and in fact the entire world, is at the parting of the ways and an entirely different scene will be presented involving changes of vast magnitude.

#### Pointed to Present Effects

This president, who all his life has been a careful student of economics, industry, finance and business, declared that Mr. Lippman had reached his conclusion from false premises and spoke without authority. He said that all the conditions preceding this day of economic disaster pointed directly to the consequences that have befallen us. The course of events, he declared, was perfectly natural and logical.

As students of economics view the present situation, they find that the country has passed through similar courses in the past and then righted itself. The very fact that production was rampant and speculation was more universal and more aggressive than ever before, that the very fundamentals of business were not observed—all this naturally led to a violent reaction.

#### Lessons from the Past

Attention was called to the fact that in one of the previous panics when the United States had a population of 39,000,000 there were 3,000,000 out of employment, and banks were failing on every hand. In the panic following 1839, 759 out of the 840 banks in existence suspended. The panic of 1873 was one of the severest that has ever swept the country. Three-fourths of the railroads were placed in the hands of receivers. The conditions that brought on panics in the past as they are reviewed today, could lead to no other road than what actually followed.

#### "Too Much Banking" Introduced

The banking situation in this country today is probably due to "too much banking." There were too many banks, too much unwise banking, too many men in banking who knew little about it. Methods adopted by the farmers in producing one crop in great abundance in many sections and going beyond all bounds in raising products that contributed to an already big over-supply naturally has not helped the agricultural

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## Reinsurance Life Sold by Security of Chicago

FORT WAYNE, Ind., Dec. 17.—The Reinsurance Life division of the Security Life of Chicago has been sold to the Lincoln National of this city. The consideration and final details were being worked out this week and could not be announced.

Approximately \$50,000,000 of reinsurance is involved in the deal, or about the same as was taken over by the Security Life when it bought the Reinsurance Life of Chicago about a year ago. Most of this business is from mid-western companies. The deal became effective Dec. 15.

The Reinsurance Life preserved its identity to some extent when taken over by the Security, being termed the Reinsurance Life division.



## Noted Speakers Before Presidents

Friday Sessions in New York Are  
Galaxy of International  
Talent

### DISTINGUISHED OUTSIDERS

Canadian Minister, Commissioner Livingston, Senator Capper and Several  
Company Executives Talk

A wide range of subjects and speakers from within and outside the life insurance business distinguished the Friday sessions of the New York meeting of the Association of Life Insurance Presidents.

There is too great a turnover in life insurance agents of this country, resulting either from carelessness in selection of agents or not grounding them in fundamentals, Commissioner C. D. Livingston of Michigan stated in his address on "Supervision and Self-Supervision." He referred to the occasional complaint that it is very difficult for companies to obey laws of every state in the Union and that they cramp operations. He said he finds a great majority of companies make no complaint, although he admitted uniformity in requirements still is lacking among the states in qualification of agents and issuing of licenses.

#### Should Fight Vicious Laws

The commissioner said his opinion is that the chief complaints come from companies which chafe at restrictions and operate within the law only because it is the law. If there are unjust laws they should be repealed. He said all the commissioners should oppose vicious legislative bills because of their bad effect on companies and the burden placed on policyholders.

Insurance departments have been relieved of a great deal of work, resulting in many economies reflected in lower net cost for sound insurance, he said. For instance, there is the convention uniform annual statement blank and also cooperation among state supervisors in making company examinations.

#### Actuary-Executive's Views

President A. A. Welch of the Phoenix Mutual gave "A Review and Preview by an Actuary-Executive." The high lights were disability benefits and unemployment insurance. He confessed that he is not optimistic about the outcome on disability, but he is gratified to know that this service, even though it is being restricted, still will be continued by some companies.

He asked if there is any industry in the country better qualified because of the nature of its work in office and field and because of the character of its employees to take the lead in assuming this new responsibility brought about by wide unemployment. He asked cogently how many of the quarter million life agents in this country and Canada are covered by insurance against disability and old age.

#### Comments on Changes

He finds the most far reaching development in the business during the last 15 years, because significant of the further development in the next 15 years, is the changed public attitude towards the life insurance salesman and the changed attitude of life company home offices towards their responsibilities, both to the public for the character of

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### Man Whose Work Counted at J. Victor Barry Dinner



CLARENCE C. KLOCKSINS

The man who deserves more credit than anyone else for looking after the details of the big banquet in New York last week in honor of James Victor Barry is Clarence C. Klocksins of Milwaukee, assistant legislative counsel of the Northwestern Mutual Life. Henry F. Tyrrell, legislative counsel, was general chairman of the committee. He turned over most of the details to Mr. Klocksins, who was appointed chairman of the committee on invitations, which meant that he would look after sending out the invitations, getting the replies, looking after finances, dispatching details at New York and really guiding the machinery. Mr. Klocksins did a wonderful piece of work and he received praise on every hand. His entire business life has been connected with the Northwestern Mutual Life. He is a graduate of Marquette University and is a veritable baseball fan.

Mr. Klocksins entered the employ of the Northwestern Mutual Life as a clerk in the actuary's department in March, 1906, at the age of 19 years. In 1916, he became assistant division head in the dividend calculating division, and a few years later became assistant division head in the change risk and valuation division. He completed the law course of the evening school of Marquette University in 1918 and passed the Wisconsin bar examination. In the same year he was admitted to practice in the Wisconsin supreme court.

In 1922, Mr. Klocksins was transferred to the law department as assistant to Henry F. Tyrrell, legislative counsel. In October, 1930, he was appointed assistant legislative counsel. For the past three or four years he has represented the Northwestern Mutual at the meetings of the National Convention of Insurance Commissioners and other insurance organizations.

### Darby Day Gets Continuance on Federal Charge Instituted

LOS ANGELES, Dec. 17.—Darby A. Day, who recently came to this city from Chicago to engage in the life insurance business and resigned his position, appeared this week before United States Commissioner Head on the charge of using the mails to defraud in connection with his promotion scheme in Chicago, chiefly selling stock in the Chicago Fidelity & Casualty, Darby Day Investment Company and other enterprises. He was granted a continuance until Jan. 12 on his hearing on removal to Kansas City, Mo. He is out on a \$10,000 bond. Mr. Day is fighting being taken to Kansas City.

## Life Presidents Meeting Had Attractive Features

The annual meetings of the Association of Life Insurance Presidents are always dignified, orderly and circumspect. The entire program, the general theme and the individual subjects are largely worked out by Manager George T. Wight and his associates. The staff came in for much praise as usual this year, and it was well deserved.

There is always interest in the presiding officer. His introductions are felicitous and they give about the only opportunity for the play of humor and a sparkle that relieve the solemnity of the addresses. President F. H. Ecker of the Metropolitan Life, a devotee of golf himself, did not hesitate to play on the golf motif in introducing many speakers. He took some sly digs at the speakers, was very happy in his stage presence and voice. He is easy in his expression and made one of the notably successful presiding officers.

#### Outsiders on the Program

The men outside of insurance who grace the program are men of affairs, eminent in statecraft, education, business or the professions. This year Maj. W. D. Herridge, Canadian minister to the United States, represented the Dominion on the program. There are now 10 Canadian companies that are members of the association. Hence it is appropriate to have a prominent man from that section give an address. The Canadians have always induced someone prominent in their Dominion to give the address. A number of times eminent statesmen have appeared. When they do the hearers are always impressed with the fact that in Canada the English custom has been followed and men have been trained to take part in affairs of state. They are men of the higher order, finely educated, well grounded in statecraft, who take their positions very seriously. In Canada it is an honor to fill a public office. Men of real talent are trained for this work.

#### Eminent Educator Was a Speaker

President R. G. Sproul of the University of California at Berkeley, is a native son. He is young in years, vigorous as a speaker. He possesses nerve and ability. He started his career as a newsboy. President Ecker stated that his development into a gifted public speaker is directly traceable to the fact that he became accustomed to the sound of his own voice in crying his wares on the San Francisco streets. Dr. Sproul earned the money for his own education and became president of his university 16 years after he graduated from it. As the presiding officer stated he mounted the presidential chair without the benefit of a doctor of philosophy degree.

#### Senator Capper Attracted Attention

Senator Arthur Capper of Kansas, small in stature, frail in build and quaint in manner, served his state as governor and is active in publishing, being the owner of the Topeka "Daily Capital." He also has other publications. In introducing him Mr. Ecker stated that while he and some of his cohorts were on a speaking campaign in Kansas the automobile party was rushing to a county seat, defying all speed laws in order to meet an engagement. A young woman stepped out in the middle of the road and signaled the driver to stop. He did so and when all in the party asked what was the matter the smiling young woman, holding up a magazine said, "Would any of you gentlemen care to subscribe for 'Capper's Weekly'?" Mr. Ecker said that not only did this reveal the senator's sales methods but also his political perspicacity.

Another outside speaker was Vice-President Bancroft Gherardi of the American Telephone & Telegraph Co. The name, President Ecker said, is linked with three major stages of elec-

trical communication development: The laying of the first Atlantic cable with which the father of the speaker had part; the completion of the first trans-continental telephone and the spanning of the Atlantic with the first radio telephone with which Mr. Gherardi himself was connected. He is a grand nephew of the famous American statesman and historian, George Bancroft. For 36 years Mr. Gherardi has been connected with telephone engineering. He is a typical business man in appearance and spoke with the earnestness and bluntness of men of his type.

#### Farm Editor Was Eloquent

The last outside speaker was C. F. Collisson, farm editor of the Minneapolis "Tribune." It so happened that F. E. Murphy, president and publisher of the "Tribune" was present and introduced Mr. Collisson. Mr. Murphy became connected with the Minneapolis "Tribune" in 1893 and has been its head for the last 10 years. He is a director of the Associated Press. Mr. Murphy owns a 6,000 acre farm where were first developed the vital elements of the Minnesota plan regarding which Mr. Collisson spoke. Mr. Murphy owns an 800 acre summer camp at Battle Lake, Minn.

#### Should Visit the Farms

Mr. Murphy advised the life presidents to visit agricultural districts, take trips in the country and study the farm conditions. He said that the organizations that loan money to farmers can encourage a lot of them to do a better job farming than they have done. He thinks that the coming generation of farmers will make a most fertile field for insurance companies. He said that a farmer may be living 15 or 20 miles from his nearest shopping center and yet he is closer to the shopping county than most of the people living in the city are to their offices. The farm people, he said, are modern in their notions and they want modern things. Mr. Murphy said that the farmer should become business-minded.

Mr. Collisson is deaf, had an elaborate mechanism about his head and carries a

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### Borden Urges Ad Men's Cooperation in Life Day

Various phases of life insurance publicity were discussed at a meeting in New York of company advertising managers, who were urged by A. G. Borden, second vice-president Equitable Life of New York, to cooperate in connection with Life Insurance Day, Jan. 21. Mr. Borden, chairman of the general committee, explained instrumentalities that would be employed in observance of the day on a nation-wide scale. He said in addition to newspaper support through advertising and editorial columns, there will be posters and bulletins for agencies, direct mail, radio talks and manuscripts for talks before civic clubs.

Support of the National Association of Life Underwriters has been pledged, Mr. Borden stated, and local associations also are being canvassed to direct special local activities.

Bert Mills, Bankers Life of Des Moines, president Insurance Advertising Conference, in behalf of members pledged unqualified support by ad men and their companies.

The next meeting of the life group advertising men will be in New York some time in May. Hereafter it will be known as the "Life Group Round Table in New York." Stewart Anderson, advertising manager Penn Mutual, has agreed to serve as chairman of the May meeting.

## Extend Time to Pick President

Dorsey, Nims Agree to Look Further Before Deciding on Dawson

DEADLINE WAS DEC. 15

New Chief Executive of Missouri State Must Be Chosen Early Next Week

ST. LOUIS, Dec. 17.—The Nims-Watts and Dorsey-Felss factions of the Missouri State Life have mutually agreed to the extension of time to make a selection of a new president to succeed Hillsman Taylor in January before formally tendering the position to United States District Judge Charles I. Dawson of Louisville.

Originally a choice was to have been made by Dec. 15, but on that date a new president had not been named. A number of outstanding insurance executives are under consideration for the post. A selection must be made before the early part of next week; otherwise Judge Dawson will be asked to accept.

E. D. Nims, chairman of the Missouri State board, and H. S. Tressel, Chicago, representing the Dorsey-Felss interests Dec. 14 conferred with Judge Dawson at Louisville which is taken to indicate that a selection from available insurance men is very remote.

Judge Dawson, while not a candidate for the position, is said to have assured Nims and Tressel that if they do not find an insurance executive who is suitable within a reasonable time, he would accept the presidency if it is offered.

### Compromise Stands

Failure to agree on a new president will not affect the compromise agreement reached by the two factions. The December meeting of the Missouri State directors scheduled for Dec. 18 will be continued to December 21 and the new president may be announced by that time. The 1932 dividend policy may also be determined at that meeting.

J. F. Duggan, an attorney, has filed a suit in the St. Louis circuit court seeking the suspension and removal from office of eight Missouri State directors and an immediate election of new directors by the stockholders under the supervision of the court. Circuit Judge Hartman will conduct a hearing on the suit Dec. 24.

### What Petition Charges

The action stated that stock purchased by Mr. Duggan three years ago at \$80 a share today is worth but \$9 per share.

The petition charged the directors with mismanagement, asserting that assets of the company had been wasted and it also attacked the relations of certain of the defendants with Caldwell & Co.

The directors attacked are Mr. Taylor, Mr. Nims, F. O. Watts and T. M. Pierce, St. Louis; C. S. Sargent, New York; C. S. Arnett, Louisville; W. S. Bransford, Nashville, and Theobald Felss, Cincinnati.

The petition was denounced as without foundation by officers of the company.

### Fees to C. M. Howell

Complaint is made about \$45,000 in fees alleged to have been paid to C. M. Howell of Kansas City, in connection with the reinsurance contract between the Missouri State Life and the defunct

(CONTINUED ON PAGE 30)

## Lack of Unison Is Criticised by J. Elliott Hall, Penn Mutual

J. Elliott Hall, general agent for the Penn Mutual in New York City, has written this stimulating letter to THE NATIONAL UNDERWRITER, prompted by the editorial "New Measuring Rod Is Needed," in the Dec. 4 edition:

"I want to congratulate your splendid paper on your great editorial 'New Measuring Rod Is Needed.' The last sentence of this editorial reads 'What say you?'"

"What distresses me tremendously is that life insurance companies seem to be unable to get together on the important things pertaining to our business. It does seem that in a business which is supposed to be so scientifically constructed, that the officers of the great companies should be able to get together on these various problems. For instance, I can not help but feel that there should be no competition in underwriting. We're all working under the same actuarial and mortality tables, yet the action taken in given cases is as radically different as day is from night. I will give you one instance: our company, in common with several others, was called upon to write rather a large case recently. As I remember, 12 companies were involved. Three rejected the case, three issued standard, and the balance issued with ratings anywhere from \$2 per thousand up to, as I remember, \$8 per thousand. Can you blame the applicant for feeling that this business of ours is not such a scientific one after all? This is not uncommon.

### Don't Profit by Experience

"It does seem as though the companies will none of them profit by the experience of others. My own particular company for years, in fact long before I contracted with them, was the dumping ground for certain kinds of low cost policies and certain kinds of under-average risks. We're now paying the price for that kind of selection. Without mentioning any names, it distresses me very much to see two very high grade companies about our size who have had splendid experience in the past, now following in the footsteps of our company, apparently believing that they will not eventually pay the price that we have been paying. Something should be done, in my opinion, to call this glaring error to their attention. You probably know the next company I have in mind; for years the agents of all companies took practically all of their declined or suspicious cases to this company. A great majority of the cases were issued. A great volume of term insurance and low premium forms were issued. Today that company is paying a tremendous price for its mistakes. It has tightened up now to the extent that it is difficult to get anything

through but a high grade risk. Does that frightful experience prevent another very large and great company from changing its past practice and continue its careful selection? No. It is today selecting most liberally, and a great portion of the business is being written on a very low premium. It is going to pay the price. No one seems able to stop it.

### Can't Agree on Disability

"Take the matter of disability—a thing that is so serious to our business today. I have always been a great advocate of disability insurance, but I am not in favor of it if it's unsound. I still believe it could be written on a proper basis with a proper rate. Are the companies together on it? No. Several are discontinuing it on the old basis, while others are writing it on a modified form. Yet but a few months ago they all decided they should be in unison with a standard form.

### Dividend Action Diverse

"Take the matter of dividends. Is there any concerted action or any united procedure with respect to this perplexing question? No. Almost as many different ideas as there are companies. This is a thing, in my opinion, that should be acted upon in a most careful way, and with some united front.

"Without going into detail, exactly the same situation obtains with respect to large risks. Here they do seem to be getting together after a fashion. And so I may go on for some time, but I would like to sum up with this statement:

### Crazed With Volume

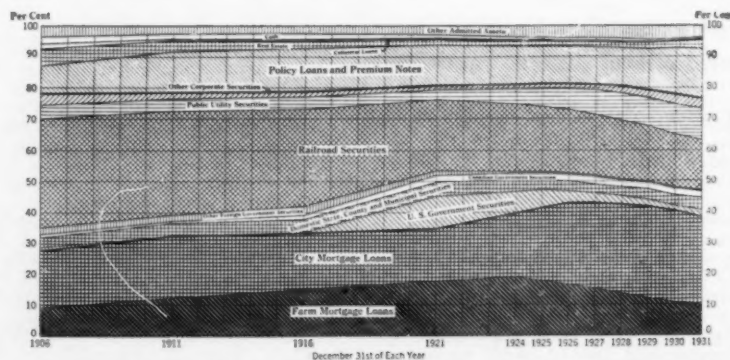
"I believe all of them are crazed with volume without much thought of stability. I am for safety first, last and all the time. The public I believe, is expecting a reduction in dividends, and I think every company today should take a substantial cut for at least two years, and replenish their surplus account. Cash values, dividends, disability, selection should be out of competition—what we must sell is life insurance service.

"I wish something could be done to get all the companies to discontinue these low cost policies. If they do not, in my opinion, it will lead to a most searching investigation of the whole institution of life insurance before many years.

"Why cannot your good paper and some other papers take the lead by trying to get the officers of the various companies, the Life Presidents Association, the Agency Officers Association and others together in the common cause for the protection of this great business of ours.

"Your editorial is most timely. Give us more of them."

## Life Company Assets 1906-31



Figures compiled by the Life Presidents' Association of carriers holding from 91.6 percent to 98.4 percent of the assets of all United States legal reserve companies.

## Shropshire Case Creates Concern

U. S. Supreme Court Declines to Review the Texas Loan Issue

MUCH INTEREST IS TAKEN

American Life Convention as a Friend of the Court Acted for Insurance Companies

AUSTIN, TEX., Dec. 17.—The Shropshire case, one of the most important in many years to life companies and others interested in mortgage loans, has ended in the U. S. Supreme Court with a decision adverse to what life companies had hoped.

The supreme tribunal refused the request of the Commerce Farm Credit Company of Texas for a review of the ruling of the Texas supreme court declaring usurious and invalid the loan made by the company to J. E. Shropshire and his wife on a farm in Hale county.

The records revealed that Shropshire and his wife borrowed \$4,200 from the Commerce Farm Credit Company in August, 1921. They gave a note for that amount and executed 10 coupon interest notes for \$252 each, payable annually for 10 years, and five interest notes of \$252 each maturing in one, two, three, four and five years.

### Suit Was Brought

In October, 1923, they brought suit against the Commerce Farm Credit Company and the Commerce Trust and the Missouri State Life claiming these notes were void because they were usurious. The Texas company replied that the total rate of interest charged on the loan was 9 percent while the Texas laws permitted as much as 10 percent.

The district court of Hale county held for the plaintiffs and the case was carried to the court of civil appeals which reversed the decision of the district court and held the loan was valid. The case then went to the appeals commission and was withdrawn from that and carried directly to the supreme court. That tribunal held with the district court—that the interest was usurious and the loan invalid. It ordered the defendant company to pay to the plaintiffs \$2,030, the amount paid by the Shropshires plus penalties under the usury laws.

### Dropped from Proceedings

The two Missouri companies which claimed an interest in the notes were dropped from the proceeding and no judgment was rendered against them. The action of the United States Supreme Court makes the decision of the Texas tribunal stand.

The Texas supreme court construed certain default provisions in the loan contract as rendering the interest rate usurious, in that it provided for collection of unearned interest in event of default. The Shropshires claimed the notes provided for payment of 12 percent interest.

The American Life Convention entered the case when it was appealed from the court of civil appeals to the commission of appeals at Austin. It maintained its interest in the case for the remainder of the fight. F. W. Wozencraft, for the American Life Convention, appeared as friend of the court when the case was argued before the Texas supreme court.

The American Life Convention's in-

(CONTINUED ON PAGE 27)



## Studying the New Ohio Taxing Law

Five Mill Levy Will Go Into Effect With Filing of Statements

### FOREIGN OFFICES EXEMPT

Act Applies to Mutuals and Fraternal  
—Some of the Features of the Measure

COLUMBUS, O., Dec. 17.—When the domestic insurance companies in Ohio file their annual statements with the insurance department as of Dec. 31, 1931, they will also be setting up the basis upon which the new Ohio five-mill tax will be assessed. All insurance companies, regardless of the nature or character of their business, will pay a five-mill tax on capital and surplus and if the company is a fraternal or mutual, not operated with a capital stock, the five-mill tax will be paid on surplus. Heretofore, mutuals and fraternal have been called upon to pay on deposits in the bank on listing day but have not paid taxes to the state on any other assets except real property. Under the new Ohio tax law the companies will pay on real estate but except for the five-mill tax will pay no other property tax. Furniture and office equipment, for instance, will not be returned for taxation.

#### How the Machinery Works

The insurance department of Ohio on or before the first Monday of May in each year is to certify to the tax commission of Ohio the amount of capital and surplus of each domestic insurance company or the surplus only if the company has no capital stock. Then the tax commission of Ohio in turn certifies to each county auditor where a company may be located, the assessment of the capital and/or surplus as the case may be, the county auditor then placing these assessments against the local companies on the tax duplicate.

While it is expected that some problems may arise in the operation of this law which are not now foreseen, as usually occurs, yet it is believed that the law will operate smoothly and with little difficulty. The tax rate is very low.

#### Not Setting Up Excess Reserves

Particularly at this time, companies are not likely to set up excess reserves since most of them will be placing into surplus whatever is at all available for this purpose. It is possible that where a large proportion of the surplus of an insurance company is invested in United States obligations, the company might seek to have these securities exempt from the tax law. In Missouri, a case went to the United States Supreme Court involving the tax laws there and the court held that the liabilities were to be subtracted from those assets not invested in government obligations in order to determine the surplus. Whether the Ohio tax law is subject to the same interpretation has not been determined nor so far as known has any company indicated an intention to test the law on this point.

Under a similar interpretation, if a company had a capital and surplus of \$100,000, one-half of which was invested in United States government obligations and the liabilities amounted to \$50,000, there would be no taxable surplus.

In most cases, the Ohio tax will be so small that it is believed companies will generally pay the tax without making any attempt to find loopholes in the law. When the hearings were held on

## Dies Suddenly



COL. HARRY G. AUSTIN

Col. Harry G. Austin, organizer and first president of the Old Colony Life of Chicago, was stricken with a heart attack while riding on a street car in Chicago and died shortly after being taken to a hospital. He was 63 years of age.

Born in London and educated at Harrow and the Sandhurst Military Academy, he served as an officer in the British army. His first insurance connection in this country was with the Equitable Life of New York at Richmond, Ind., from 1888-90. He was in the service of the National Life of the District of Columbia from 1890-4 and the Northwestern Mutual from 1894-8. He joined the old Provident Savings Life of New York and progressed from 1899-1905 from agent and special agent to become assistant superintendent of agencies.

Col. Austin became identified with the Old Colony Life of Chicago about the time its title was changed from the American Mutual Life. He was secretary from 1906-8, vice-president and general manager from 1908-9 and president and general manager from 1909-13.

Col. Austin then engaged in other activities. From late in 1924 until late in 1925 he served as president of the Public Life of Chicago in an attempt to rehabilitate that company. Later he became vice-president and treasurer of the Bankers National Life of Jersey City and helped to build a plant in the west for that company. At the time of his death he was president of the Personal Loan Corporation.

the tax law, companies indicated that they were satisfied with the tax arrangement proposed.

The five-mill tax is also in lieu of all other taxes on or against the stockholders, members or policyholders of any company by reason of their stock or other interests in the company, except for annuities and except for the right to receive the proceeds of a policy payable after its maturity in installments or left with the company at interest.

#### Foreign Companies Exempt

Policyholders of life companies will not be taxed on the income increment of cash surrender values before the insurance contract has matured and after maturity only where the policy is payable in installments or the insurance is left with the company at interest. The law specifically states that foreign insurance companies are exempt from the five-mill assessment and the law does not affect any taxes now being paid by foreign companies.

Mrs. James Houghton, wife of James W. Houghton, district manager of the Sun Life of Canada at Fort Wayne, Ind., died of heart failure last week.

## Experience or Theory?

«»

We are never impressed when a non-advertising company tells us that advertising in The National Underwriter is "no good" or that "it won't get us any place". Of what value is the opinion of a company which has never done any regular, consistent advertising?

A company is, of course, entitled to its own opinion regarding advertising, but the only companies that really know the worth of it are those which have done enough to observe the difference in their progress, development and general standing when advertising and when not advertising.

The opinion which carries conviction and weight is the one that is based on experience. The company which has "been through the mill" knows. A few years of actual experience are worth twenty of theorizing.

By advertising we mean, not the insertion of one or two pieces of copy throughout a whole year on what may be regarded as special occasions, but steady, persistent hammering away week after week, month after month, one year after another. The companies which have advertised in this way know from experience what it is worth, and it is of more than passing significance that they are continuing and not discontinuing their advertising in these days of economy, when all unnecessary expenditures are being eliminated.

On the other hand, the views which the non-advertising company holds regarding the merits of National Underwriter advertising must be appraised for what they are—theories and impressions that do not rest upon the solid foundations of actual experience and first hand knowledge.

(Number 12 of a series devoted to the merits of National Underwriter advertising)

«»

## The National Underwriter

The leading weekly insurance newspaper

E. J. WOHLGEMUTH  
President



C. M. CARTWRIGHT  
Managing Editor



© 1931 M. L. I. Co.

## The Gifts You Get

SOON you will be busy writing letters and paying visits, trying to thank everyone who has sent you a present, careful not to forget anyone.

But because they weren't addressed to you personally and sent by mail or express, perhaps you have forgotten to acknowledge some of the priceless gifts you have received.

Think for a minute of the welfare organizations that have been giving you their time, their training and ability, devoting their every effort to make you, your family and your neighbors safer and happier.

The Red Cross and other great organizations fed the hungry and nursed the sick while you remained comfortably at home—their gift to you of hours of leisure.

Volunteer members of national and local associations found children who were suffering from tuberculosis, sent them to camps and sanatoria to recover—giving your children extra protection against exposure to disease.

Boy Scout and Girl Scout

leaders gave up their holidays to teach clean living by word and example—a gift of better companionship for your children.

Big Brothers sat in stuffy court rooms to rescue waifs and strays who did not have home background to guide them—a gift of future good citizenship to your community.

You will probably never meet, nor be able to thank, the doctors and scientists who have waged campaigns to make it increasingly unlikely that you and yours should ever contract smallpox, diphtheria, typhoid fever or other communicable disease. In their laboratories they are searching for means to prevent premature death from cancer or heart disease. Magnificent gifts to you of health—perhaps life itself. But you do know some of the great volunteer organizations which work for you continuously and ask your good will and support. At this season will you not "thank" two of them by wearing a Red Cross button and by using Christmas Seals?

## METROPOLITAN LIFE INSURANCE COMPANY

FREDERICK H. ECKER, PRESIDENT

ONE MADISON AVENUE, NEW YORK, N. Y.

## Warns Against Fanciful Settlement Agreements

### MAY MISLEAD BENEFICIARIES

Samuel Davis, Associate Counsel John Hancock Mutual, Offers Some Timely Advice

Warning against the indiscriminate drawing up of varied and involved settlement papers under life insurance policies, was delivered by Samuel Davis, associate counsel John Hancock Mutual, before the Association of Life Insurance Counsel in session in New York.

"Serious attention," he said, "should be given to what we are doing when we, as counsel, authorize and assist in the preparation of these formal instruments designed to pass the title to various fractions of insurance proceeds to Tom, Dick and Harry. The practice of making varied and involved settlement papers under life insurance policies, while an exceedingly lusty infant, is still an infant and to mix the metaphor, the chickens have not yet come home to roost. But that ultimately they will seek the old homestead with its clutter of assets, I have not the slightest doubt."

### Should Not Mislead

"It should be our endeavor," he continued, "not to mislead beneficiaries into believing that a desired mode of settlement will be carried out successfully if someone in interest sees fit to question its legal sufficiency. It is possible that companies as a whole have not paid the attention to the subject which it deserves and that much trouble may be in prospect, both for the companies and for beneficiaries, because of the forms of optional settlement which probably violate the statute of wills."

"As a correspondent once wrote to me: 'We have felt here that while some companies seem willing to write any kind of a contract without regard to whether it was legal or not, or could be carried out, trusting to Providence that the policy would lapse or that something would happen so that they never would be called upon to act under the contract, our company should not make a contract which had in it such infirmities that would probably prevent its being carried out if it should be questioned by anyone.' With this statement we should all heartily agree."

"I think the joyous exuberance with which life insurance companies have permitted their agents to prepare fanciful forms of optional settlements, with small regard for the ultimate effect upon all concerned with the transaction, should, to say the least, be subjected to some sort of sobering treatment. As to what will happen when the courts undertake to construe these various instruments of title with reference to the statute of wills, who can tell?"

## Expect Announcement Soon as to Canadian Valuations

TORONTO, Dec. 17.—Officials of Canadian life companies look for an announcement any day from the insurance department at Ottawa regarding methods for valuing securities at the end of the year. While the present law provides several options, it is difficult to find one that will meet the situation. The Dominion insurance department has been conservative in the past and is not expected to do more than is barely necessary for this year's valuations.

Only one company has heavy holdings of stocks but most of the companies have large holding of South American government bonds and Canadian pulp and paper bonds. The western mortgage situation is also serious for companies lending there, but in past years book values have been permitted for mortgages.

## Bright Spots Found in Canada by C. C. Ferguson

Nine encouraging features in the business outlook were enumerated by C. C. Ferguson, general manager Great West Life, in an address before the Winnipeg Association of Life Underwriters.

The fact that the recent Dominion national service loan was largely oversubscribed in a short time shows that Canadians have confidence in their country, he said.

Appointment of a commission to investigate the possibility of coordination of functions of the railway systems in Canada is gratifying, he added.

The generous attitude of England towards the Dominion in the matter of custom preferences should be helpful, Mr. Ferguson declared.

### Retrenchment Is Sought

The Dominion and provincial governments are showing an inclination to adopt policies of retrenchment as well as seeking new fields of taxation.

Another favorable feature, according to Mr. Ferguson, is the disposition on the part of corporations engaged in the same line to join in a program of orderly production and marketing.

The healthy situation in life insurance is another bright spot, he said.

The Canadian banking system is standing up to the severe test.

Another gratifying fact is that many people are finding that luxurious living is not necessary for comfort and happiness.

Finally, the courage, determination and energy of Canadians is one of the brightest spots on the Canadian horizon, he concluded.

## Total Assets \$20,200,000,000

In reporting the address of President William A. Law of the Penn Mutual before the Association of Life Insurance Presidents, an error was made in presenting figures as to the assets of legal reserve life insurance companies in the United States at the present time. This figure should have been \$20,200,000,000.

## Writ of Prohibition Refused

The Ohio supreme court has refused to grant a permanent writ of prohibition to prevent a receiver from taking over the Knight Templars & Masonic Mutual Aid Association of Cincinnati, a receiver having been appointed for the company some time ago by the common pleas court at Pomeroy. It was contended by those seeking the writ that the superintendent of insurance should have charge of the case. The association has been planning to change over to an old line insurance company.

A conference was held early this week by the attorney general, the insurance department and the attorneys for the association and a hearing will be held in Pomeroy Friday. If a demurrer is overruled, the case will be argued on its merits.

The supreme court held unconstitutional that provision of the law which gives the superintendent of insurance the right to take charge of property in certain cases, the attorney general to act as his counsel.

## Wisconsin Fraternal Congress

MILWAUKEE, Dec. 17.—More than 100 delegates from 25 fraternal organizations in Wisconsin attended the Wisconsin Fraternal Congress here Monday. Judge John C. Karel, Milwaukee, president of the congress and head of the Equitable Reserve Association, Neenah, Wis., presided.

Guest speakers were Herman L. Ekern, former Wisconsin commissioner, who attended as a representative of Governor La Follette; Commissioner Mortensen and W. M. Wolff, president of the Insurance Federation of Wisconsin.



*The Human Arithmetic  
of Life Insurance*

ADDS + *to your peace of mind*

SUBTRACTS - *from your worries*

MULTIPLIES X *your advantages*

DIVIDES ÷ *the responsibility of providing for your dependents*

GET INSURED  
KEEP INSURED!

**THE EQUITABLE**  
LIFE ASSURANCE SOCIETY OF THE  
**UNITED STATES**

THOMAS I. PARKINSON, PRESIDENT      393 SEVENTH AVENUE, NEW YORK

# New York Life Is On the Air

**T**HOUSANDS of congratulatory letters about our radio programs have been received. The purpose of these broadcasts is primarily to promote the conservation of insurance; and the Company hopes that life insurance, in general, as well as the New York Life will benefit.

*The agents of all companies are invited to tune in on our programs every Tuesday evening on any of the following stations:*

9:30 Eastern Time	New York	(WJZ)
" "	Boston	(WBZ)
" "	Springfield	(WBZA)
" "	Baltimore	(WBAL)
" "	Richmond	(WRVA)
" "	Rochester	(WHAM)
" "	Cleveland	(WGAR)
" "	Pittsburg	(KDKA)
" "	Detroit	(WJR)
" "	Cincinnati	(WLW)
8:30 Central Time	Chicago	(WENR)
" "	St. Louis	(KWK)
" "	Kansas City	(WREN)
" "	Council Bluffs, Ia.	(KOIL)



HOME OFFICE BUILDING

## NEW YORK LIFE INSURANCE COMPANY

51 MADISON AVENUE  
NEW YORK, N. Y.

### Equitable of New York Is Cutting Its Dividend Scale

#### CONSERVATISM IS STRESSED

Vice-President Klingman Says Action Is to Maintain Life Insurance as Tower of Strength

The Equitable Life of New York has reduced its 1932 dividend scale slightly, W. W. Klingman, vice-president, announces. He makes the statement that this action is in the interests of "sound administration" and to continue the conservative policy which has made life insurance in this country a "tower of financial strength."

Mr. Klingman's announcement is: "During the past two years we have all taken great satisfaction in the impregnable strength of the institution of life insurance, and the increasing realization by people everywhere of its fundamental soundness. We of the Equitable are naturally anxious to see a continuance of the conservative policy which has enabled life insurance to stand out so conspicuously as a tower of financial strength, a conservatism which has particularly characterized our great society."

#### General Dividend Scale

"In the interest of sound administration, therefore, it has been decided to reduce slightly the dividend scale for 1932, knowing that any steps which will further enhance the all important element of security will be commended by every thoughtful policyholder. An example showing the effect of the new scale upon dividends under an ordinary life policy issued at age 35, without full disability features, is given below."

"Cash dividends—\$1,000 ordinary life policy—age at issue 35:

End of Year	1931 Scale	1932 Scale	Percent Reduction
2	8.03	7.26	9.6
4	8.54	7.77	9.0
6	18.48	17.21	6.9
8	9.00	8.23	8.6
10	10.04	9.27	7.7
15	11.55	10.78	6.7
20	12.81	12.04	6.0

"For the retirement annuity, both annual and single premium plans, the society will employ a uniform dividend rate, regardless of the age at issue."

#### Modified Dividend Scale

"On policies providing for disability income (but not on those providing premium waiver only) issued at rates in effect prior to Feb. 1, 1930, dividends beginning Jan. 1, 1932, will be at a rate slightly less than for policies that were issued without disability income."

#### Excess Interest

"You will be glad to learn that excess interest in 1932 will continue at the rate of 134 percent, as in the past few years, making a total of 434 percent to be allowed on insurance proceeds and on dividends left on deposit. As you know, this rate is on the annual basis; where payments are made other than annually the excess interest rate is 1.65 percent, or a total of 4.65 percent to offset the earlier payments."

"Every representative will, I know, appreciate the wisdom of the society's action, and capitalize it effectively in his daily work."

#### Wisconsin Associations Federate

MADISON, WIS., Dec. 17.—A new organization which comprises more than 100 Wisconsin assessment benefit associations, representing over 100,000 members, has been formed under the name of the Wisconsin Benevolent Operators' Association.

A meeting of members of the association will be held in Madison Dec. 19, at which plans for continued operation of the associations will be discussed.

### Maclean Makes Prediction as to Future of Disability

#### MUTUAL ACTUARY IN ADDRESS

E. W. Allen Is Nominated for President of the New York Life Managers Association

NEW YORK, Dec. 17.—J. B. Maclean, associate actuary Mutual Life of New York, addressed the fall meeting of the New York Life Managers Association, speaking on the disability situation. Mr. Maclean referred to some of the lessons which the companies have learned during the 18 years that they have been in the disability business, and said that there is still a difference of opinion as to whether income disability is something which companies can safely undertake. He predicted that companies would eventually be found in one of two camps, those writing waiver only and those issuing a modified form along the lines of some already announced. Mr. Maclean summarized some of the arguments for each of these positions.

#### Allen to Be Next President

E. W. Allen, of Allen & Schmidt, general agents New England Mutual, was nominated for president. The entire slate, submitted by a committee headed by W. R. Collins, of the Travelers, will be voted on at the next meeting.

Other nominations are: Vice-president, L. A. Cerf, Jr., Fidelity Mutual; secretary-treasurer, W. J. Dunsmore, Equitable of New York; committee on rebating, R. G. Engelsman, chairman; W. E. Diefendorf, T. R. Fell, Harry Gardiner, P. R. Garrison; committee on twisting, W. E. Barton, chairman; C. E. Delong, I. Fried, J. M. Fraser, J. C. McNamara, Jr.; committee on proselytizing of agents, H. H. Wilson, chairman; L. H. Andres, J. H. Scott, E. T. Wells, S. S. Wolfson; committee on misleading comparisons, G. C. Wells, chairman; Ben Hyde, D. C. Keane, R. M. Simons, R. H. Keffer; membership committee: W. R. Collins, chairman; R. L. Jones, G. A. Kederich, W. A. Sullivan, Harold Taylor. Beside Mr. Collins the nominating committee included G. C. Wells, T. R. Fell, Ben Hyde and H. H. Letcher.

### Mickey Changing His Base

#### General Agent State Mutual at Kansas City Will Go With Equitable of Iowa

J. H. Mickey, for the past three years general agent for the State Mutual in Kansas City, has resigned and will go with the Equitable of Iowa as associate general agent with H. A. Hedges, general agent in charge of western Missouri and eastern Kansas.

Mr. Mickey has been a general agent for 11 years, having been with the Connecticut Mutual in that capacity at Topeka before going to Kansas City. The son of John H. Mickey, governor of Nebraska from 1903 to 1907, he attended the University of Nebraska and Nebraska Wesleyan.

Mr. Mickey is president of the Kansas City Life Underwriters Association. He entered the life insurance business in 1915.

#### Strauss Leads Fidelity Mutual

Maurice Strauss, life manager for Lippman & Lowy, representing the Fidelity Mutual in Newark, N. J., has been announced by his company as honor man in first year cash premium settlements for November. Mr. Strauss has carried off field honors for his company on a number of occasions and now is president of its Leaders' Club.



## Message to Field Force Is Sent Over Big Radio Hookup

### KLINGMAN PRAISES FATHERS

Equitable of New York Official Stresses Life Insurance Provision During "All-producers Week"

The six days Dec. 14-18 inclusive were designated "All-producers Week" in the Equitable Life of New York, every representative being expected to produce at least one application. A gaily decorated holiday broadside with a Christmas application form, to which was to be attached a special "app-o-gram" addressed to Vice-president W. W. Klingman, was gotten out for the week.

Mr. Klingman, in a radio address over a national Columbia system hookup of 46 stations, termed the American father the best provider in the world. It was said to be the first attempt of a life company official to send a special message to his field force over a national radio chain, although a number of other companies have done considerable broadcasting of material intended for public consumption and several companies own radio stations.

#### Field Force Listens In

All the Equitable's 12,000 agents were advised of the time and stations. Group meetings were held in many agencies to hear the talk. Mr. Klingman said in part: "The American father is a good provider, not only of home comforts but of those extra things we sometimes call luxuries. It is not an easy job to be a good father. He does not receive his pay envelope on a silver platter. On the contrary, the fate sometimes is unjustly harsh in denying him even the opportunity to work for those he loves."

"Perhaps the greatest thing about the

American father is his strong sense of responsibility and the great personal sacrifice which he will make in order to fulfill this responsibility.

"We have a profound pleasure in dedicating this program because it has been the privilege of the Equitable Life to serve as the medium through which millions of fathers have provided for their families against the unexpected contingencies of life. Through the modern uses of life insurance we have enabled him to put his sons and daughters through school and college and have accumulated the funds that have given his boys and girls a start in the business and professional world.

"We have enabled him to retire the mortgage on his home, pay his debts and protect his business interests. We have made it possible for him to provide himself with an assured income for periods of illness and convalescence, and through our retirement annuities we have set up for him a financial program which has enabled the American father to look beyond the horizon of his present work to the days of enjoyment by the assurance of a guaranteed monthly income for life."

### Vash Young Banquet Speaker for Indiana Insurance Day

Vash Young of New York City, one of the leading producers of the Equitable Life of New York, and author of a very successful book, "A Fortune to Share," will be the principal speaker at the banquet of Indiana Insurance Day, Jan. 19, according to Ralph Colby, general chairman.

James Elton Bragg, professor of insurance in New York University, will conduct an all-day sales school for life men and it is expected some 500 agents from throughout the state will attend this school.

The fire and casualty interests will have a separate program for the morning and afternoon sessions.

## Home Companies' Receiver to Sue Inter-Southern Life

### UNDER CALDWELL CONTRACT

Liquidator to Press for Performance of Agreement to Take Up \$484,899 of Bonds

As the final step toward liquidation of the Home Fire and Home Accident of Little Rock, Ark., which went into receivership after the A. B. Banks & Co.-Caldwell & Co. failure a year ago, suit will be filed at Little Rock by Elmo Walker, receiver, against the Inter-Southern Life, the basis being the contract by which Caldwell & Co. agreed to purchase control of these carriers.

The contract was later transferred to the Inter-Southern, Walker said, which defaulted in the exchange of securities, and it will be asked to take up \$484,899 in bonds assigned the three Home units in exchange for other securities.

According to Walker, the Inter-Southern agreed to transfer \$1,010,000 in bonds to the three Home companies in partial payment of the Caldwell contract with A. B. Banks and associates.

#### All Securities Rejected

These securities were of guaranteed par value and the Home carriers were given 90 days in which to examine the entire portfolio and accept such securities as approved. The time was extended until Dec. 5, 1930, when all of the securities were rejected. The Inter-Southern was then given a year to take up the securities, and Walker expects through the law suit to compel execution of the contract.

The suit also will involve ownership of \$147,670 in securities assigned the Home Accident and sold before the receivership was established, and \$39,000

similarly assigned the Home Fire and sold.

Another factor in the suit will be the inter-company agreement made by Banks and his associates by which assets of the Home Fire and Home Accident were pledged to indemnify the Home Life against any loss.

#### Gets Restraining Order

The Home Life has obtained a temporary injunction against the sale of any assets of the two carriers and placing all receipts in a special trust fund pending disposition of the claim. Apparently, the effect of the inter-company agreement was to release assets of the Home Life for use in the effort to save the American Exchange Trust Co. of Little Rock, and other Banks' enterprises then threatened by disaster.

Walker said that \$125,000 assets of the Home Fire and Home Accident were assigned the Arizona state treasurer as surety on workmen's compensation claims filed against the Home Accident, and that these payments would virtually absorb the entire amount.

Among other assets of the Home Fire and Home Accident were stocks in banks controlled by A. B. Banks. These have become liabilities through the levying of 100 percent assessments.

### Hold Policy Not Taxable

The attorney general's office of Missouri holds that a policy with a fixed cash value is not taxable by the county assessor. H. H. Stern, in writing the opinion, said there was no reported case in Missouri on the matter, but the few decisions in other states on the question had been unanimous that such policies were not taxable.

### Sun Pays Dividend

The regular quarterly dividend of \$6.25 has been declared by the Sun Life of Canada.

# The Continental Assurance Company

910 SOUTH MICHIGAN AVENUE

announces the appointment effective January 1, 1932

of

## ROGER W. SOMERS

formerly manager of the life insurance department of Rollins, Burdick, Hunter Co.

as

### GENERAL AGENT

1020 Borland Building, 105 South LaSalle Street, Chicago

Phone Central 9694

Mr. Somers will represent all departments of the company with facilities to render complete service on all forms of

**LIFE ♦ GROUP ♦ NON CANCELLABLE DISABILITY**

## Some Facts

### About the Bankers Life of Nebraska

Founded in 1887.

Issues both Participating and Non-Participating Policies.

Has complete line of Endowment, Preferred Low Rate and Retirement Income Policies.

Risks accepted from ages 10 to 65.

Maintains a Home Office Training School for new agents.

Offers an attractive General Agents Contract with non-forfeitable renewals.

*Territory available in*

ILLINOIS, IOWA, MISSOURI, OHIO  
and PENNSYLVANIA

Write

**A. B. OLSON**  
Mgr. of Agencies

**Bankers Life Insurance  
Company  
of NEBRASKA**

Home Office

Lincoln, Nebraska

#### Officials Order A. I. U. to Pay Death Claims Promptly

##### FRATERNAL COMMITTEE ACTS

Proposal to Get Funds by Refinancing  
the A. I. U. Citadel Is Under  
Consideration

At the meeting of the fraternal committee of the National Convention of Insurance Commissioners, the American Insurance Union of Columbus (the fraternal) was directed to pay promptly the various unpaid death claims throughout a number of states.

It was suggested to the management of the fraternal that funds with which to meet these obligations might be obtained by refinancing the A. I. U. citadel in Columbus which is owned by the fraternal. The present loan on the citadel is \$3,500,000 through S. W. Straus & Co. This loan, it is believed, would have to be increased to about \$5,000,000 in order to comply with the demands of the fraternal committee.

After the hearing Commissioner Kidd canceled the Indiana license of the A. I. U. because the fraternal did not pay claims satisfactorily.

##### Action Is Contemplated

In the meantime there have been few developments in the fight for control of the American Insurance Union, Inc. (the stock company) between Albert F. Coyle, executive vice-president, and the Trans-Continental Trust Company of Chicago, which recently acquired 9,960 shares of the stock company.

John H. Passmore of Chicago, a director of the Trans-Continental Trust Company, former clerk of the Cook county criminal court and former alderman of Chicago, has gone to Columbus to consult with Attorney E. P. Blanchard in the interests of the trust company. Coyle has control of the board of the stock company and the Trans-Continental Trust Company is not represented. Coyle is disputing the sale of the 9,960 shares to the trust company.

Coyle submitted a statement of the financial condition of the stock company to the commissioners in New York last week, showing \$200,000 paid up capital; \$100,000 surplus; \$109,000 reserves and \$60,000 earned surplus in four months.

#### Jones Is Indianapolis Head

Elbert Storer Was Honored at the  
Annual Meeting of the Managers  
Association

At the annual meeting of the General Agents Association of Indianapolis the following officers were elected: President, George K. Jones, Connecticut Mutual Life; vice-president, H. L. Rogers, Equitable Life of New York; secretary-treasurer, M. B. Oakes, Insurance Research & Review.

The attendance was the largest in the history of the association, in honor of Elbert Storer, who retired as president and who is now president of the National Association of Life Underwriters.

Among the outsiders present were John C. Kidd, Indiana insurance commissioner, and L. C. Kigin, representative of the New York Life at Terre Haute, Ind., and president of the Indiana Association of Life Underwriters.

#### Mavin Gets Gold Watch

Martin T. Mavin, Chicago general agent of the Continental Life of Missouri, was recently awarded a gold watch by his company for personal production every week for over a year. Although his agency is scarcely two years old, Mr. Mavin paid for \$1,000,000 of business in 1931.

The Cosmopolitan Old Line Life, Lincoln, Neb., has been licensed in Colorado.

#### Standard Oil Company Plans for Modern Pension System

##### TAKING GROUP INSURANCE

Equitable Life of New York Works  
Out a Combined System for  
the Employees

NEW YORK, Dec. 17.—Group life insurance, including total and permanent disability benefits, on employees of the Standard Oil Company of New Jersey and its affiliated companies has been effected through the Equitable Life of New York and will go into effect Jan. 1. It is one of the largest group cases ever closed.

Included in the Standard Oil new program is a comprehensive annuity pension plan. This is not connected with any life company although its basis was computed by the Equitable's actuaries. The pension plan is further safeguarded by being placed under a trust agreement. Voluntary participation on the part of employees is provided for in the new annuity plan.

##### Provisions of Pension Plan

Under it an employee is entitled to receive a one percent annuity for each year of service up to 37½ years, to be paid by the company whether he contributes or not. By contributing from 3 to 5 percent of his current earnings the employee has the opportunity of bringing his annuity up to 2 percent for each year of service.

Study of the pension plan which the new one supersedes showed that the former would eventually result in an expense which would prove burdensome. Advantages claimed for the new plan over the old include vested rights and organized savings plan features, and the fact that it allows employees with 35 years' service to retire at age 60 (50 for women) instead of age 65, the previous retirement age.

In addition to the group insurance plan the company provides at its own expense death benefits up to a maximum of \$2,000 after five years' service for the dependents of employees not participating in the group insurance plan. Those who do participate, however, receive a maximum death benefit from the company of a full year's salary after ten years of service.

#### Canadian Companies Study Question of Dividend Cuts

Conditions have been much the same in Canada as in the United States and most Canadian life companies are considering reducing their 1932 dividend scales. This is of considerable interest to Americans for the Canadian companies' activities in this country have risen to the point where they are writing a great deal of business here.

They enjoyed much the same growth as American companies in the years 1924 to 1929. In 1924 the total amount of insurance issued out of Canada by Canadian life companies, excluding reinsurance obtained, was \$223,041,860, and in 1929, \$821,478,378.

It is pointed out that this rapid growth necessarily was attended by considerable expense. However, it is not recorded that any Canadian company had to call on shareholders to put up additional surplus, although profits were used on occasion to pay up unpaid capital.

Dividends of Canadian companies have been on the highest scale ever paid, the Sun Life as is well known exceeding the scale of almost any other company in the world.

Written business for the A. M. Embury agency of the Equitable of New York at Kansas City during November was the largest in the history of the agency, \$4,534,160; with paid business also setting an all time November record with \$1,483,090.



## Credits Energy of Agents for Huge Volume in Force

### ADVOCATES NEW STANDARDS

President Parkinson of Equitable in Life Presidents' Address Sees Great Advancement Made

The fact that now more than 68,000,000 citizens of the United States own well over \$110,000,000,000 of life insurance is not the result of inborn thrift or self-animated conservatism, T. I. Parkinson, president Equitable Life of New York, stated in his address on "Selling Self-Reliance" at the New York meeting of the Association of Life Insurance Presidents.

Rather, he said, the widespread acceptance and use of life insurance by the general public to a large extent is due to the American system of offering its protection not alone to those who seek it, but also "to the hesitant, reluctant or sometimes antagonistic individual, sought out, informed and persuaded by the most efficient and public serving sales force in the world."

#### Knowledge Essential Now

There has been great improvement since pioneer life insurance days, he said, yet problems confront modern life underwriters, such as a better informed buying public calling for abler sales effort. Complexity of modern life has presented new needs for life insurance and increased the importance of the agent's knowledge of varying types of contract and his capacity to diagnose the business and domestic situation of the prospect to fit his peculiar needs. Mr. Parkinson said in looking back over the last 25 years, he notes no more important development in life insurance than the gradual evolution of something in the nature of a professional status for the life agent.

He said the greatest contribution to this evolution has been made by agents themselves and their organizations. They have struggled to raise their own ideals of service, individually and through their national and local associations. There have been many company schools and now academic training for life men has been provided by various educational institutions.

#### Cites Some Improvements

"There can be no over-estimating of the value to our business of these efforts to educate and elevate life insurance salesmen," he said. "They have made their contribution to public confidence in the business and in the attractiveness of life insurance as a career for men of character, education and ability. There has also resulted a real recognition of and insistence upon service to the client rather than the earning of commissions, important though that be and is as in other fields of professional service."

"What our underwriters still need before they can expect to take a recognized place among the professions is a gradual development of standards of professional service."

#### Difficult to Accomplish

He pointed out that with an estimated 225,000 men and women who are selling life insurance in this country and an estimated annual average turnover in the agency force of approximately 50 percent, it is difficult even to approach the standards of education and service which are recognized as being desirable.

Mr. Parkinson said managers may well ask themselves whether they have set the right ideals for measurement of success in the life insurance business. He said real success in it is not properly measured in terms of yearly increases in assets or yearly gains in new insurance paid for; nor in volume of new business, but the extent to which insurance serves policyholders. He emphasized conservation of the values which the policyholder possesses in life

## Presents Life Insurance as Ideal Investment Medium

### WOULD END ECONOMIC ILLS

General Agent Williamson Addresses University of Illinois Class on Future in Business

Life insurance if properly written to cover the purchaser's individual requirements is the one best investment for every one, K. E. Williamson of Reuling & Williamson, general agents Massachusetts Mutual at Peoria, Ill., told the class in insurance, college of commerce and business administration, University of Illinois, in a talk pointing out the many advantages of selling life insurance and the reasons why it is a basic need. The lecture was delivered at the invitation of Professor F. G. Dickinson.

Mr. Williamson said if every American citizen would invest 20 percent of his or her income with life companies instead of the 3 percent as at present, individual financial and economic problems either would be entirely eliminated or reduced to a minimum.

#### Future for Collegians

He emphasized that college graduates have had an unusually fine record in life insurance selling; that remuneration for industry in the business is large; that it is a permanent business, healthful, pleasant and satisfying.

He gave ten qualifications which are required of agents in his office. They must have successful records, records of industry, happy home life, indications of self-reliance, with the ability to stand the gaff of hard work; must have demonstrated their ability to manage their own affairs, must have ambition, mental alertness, a desire to render service and loyalty. He said there are many different types of successful people in other lines of business, but those who attain marked success in selling life insurance possess to an unusual degree the qualifications which he mentioned.

#### Recommends C. L. U. Work

Mr. Williamson in regard to preliminary study mentioned the course of the American College of Life Underwriters and the C. L. U. degree. In addition to the list of studies for C. L. U. examinations, he suggested public speaking. He said there is no reason why a four-year course particularly adapted to students who intend to sell life insurance should not be available in all colleges and universities and predicted that this will come to pass in a short time.

He gave figures on remuneration of college men taken from a survey made by the Massachusetts Mutual of 38 college graduates. These men have averaged seven and a half years' service and their average income during their last year in their former occupation was \$2,790. Their average income in 1930 from selling life insurance was \$11,098. In the Reuling & Williamson agency the average income of college graduates in 1930 was \$9,000 and the average length of service seven years.

insurance rather than conservation of business.

"I think we should not rejoice over new volume without facing the figures which show the outcome of our efforts to produce it," he said. He pointed out that for several years lapsations and surrenders have occurred in such volume as to take away much of the satisfaction that companies and agents otherwise might have had in selling a very large volume of business.

#### Requires \$50 License Fee

A new city ordinance at Cape Girardeau, Mo., requires life agents operating there to pay annually a \$50 license fee.



Trade Mark Reg. U. S. Pat. Off.

## ENTHUSIASM

Spirit and enthusiasm, the greatest assets in the world, have helped build The National Life and Accident.

That spirit which distinguished this organization is noticeable not only in the Home Office but also in the 3,000 Shield Men located throughout the country. There is no doubt about the present spirit of the National Life & Accident family. It was never finer.

It's this spirit which helps Shield Men to success. It pays to be a Shield Man.

*The* **NATIONAL LIFE AND  
ACCIDENT INSURANCE  
COMPANY INC.**  
**NASHVILLE TENNESSEE**  
*Tune in USM*

## For Christmas This Year

Use the Coupon Below

### Send a Subscription to The National Underwriter

The gift that will be remembered  
and appreciated 52 times in 1932

**Y**OU know some friends who would profit in these times by keeping alert to the vital weekly news given in The National Underwriter. A Christmas subscription will be most welcomed. The National Underwriter brings the latest insurance happenings and it is unmatched in news service to the business. It is more necessary than ever to keep informed of insurance news that affects all.

Send  
The National Underwriter  
To Some One  
For Christmas This Year

#### USE THIS COUPON

The National Underwriter  
175 W. Jackson Blvd., Chicago

Please send The National Underwriter,  
(Check issue you want)

FIRE, AUTO, CASUALTY EDITION, \$4.00 per year (52 issues)  
LIFE INSURANCE EDITION, \$3.00 per year (52 issues)  
to the following along with a letter telling them of this gift.  
( ) My Check is Enclosed. ( ) Bill me later.

Name..... Position.....

Street.....

City and State.....

Name..... Position.....

Street.....

City and State.....

SEND BILL TO, Name..... Position.....

Street.....

City and State.....

## FEATURES OF LIFE PRESIDENTS' MEETING

(CONTINUED FROM PAGE 3)

telephonic device. He proved to be a sort of evangelist in his manner of speech and took the audience by storm with his breezy western manner, apt stories, sly hits and rhetorical flourishes. Most of his address was centered about the development plan originated by the Minneapolis "Tribune" for the northwest farmers. Senator Capper spent much of his time in a plea for the farmers so the life presidents got this year a real inside slant into farm conditions. It was very appropriate that President T. A. Buckner of the New York Life appear on the program as he was one of the originators of the association and was on its first executive committee. President Ecker stated that Mr. Buckner was born and bred in the insurance field as his father was a well known insurance man before him, being general manager of the large western department of the New York Life.

#### Started as Office Boy

When he was 15 years of age Thomas A. entered his father's employ in Milwaukee as an office boy at \$20 a month. He passed through every grade of the service and in March of this year he became president. President Ecker said, "Mr. Buckner is very human as is indicated by his fondness in his hours of recreation for bridge, golf and the radio. He was one of the earliest devotees of the radio, which is doubtless one of the reasons why the New York Life is now 'on the air.' Mr. Buckner's art in handicapping is such that he usually wins his golf game on the first tee."

#### President Parkinson a Speaker

Another of the great life insurance presidents, Thomas I. Parkinson of the Equitable Life of New York, was on the program. He came into the business through the legal route and has given study to every department of his company. He is very analytical and has a penetrating mind. Chairman Ecker said that for the time being he was studying very carefully the agency activities. Therefore President Parkinson dealt largely with equipping salesmen for their task.

#### Law Studied for Ministry

Another president that has attracted much attention was on the program, William A. Law of the Penn Mutual, who was born in South Carolina. He, like some other successful men, worked his way through college. Chairman Ecker said that in his youth he was regarded as possessing exceptional material for ministerial work and made some progress in that direction. While he was in the mood of a budding clergyman he took up golf. He became intensely interested and according to Chairman Ecker one of his companions heard him say that he was going "to give it up." His associates admonished him not to give up golf. His reply was, "Give up golf, hell, I'm going to give up all idea of being ordained and lick this game to a frazzle." Mr. Law was formerly a banker and nine years ago became president of the Penn Mutual. He has given a great deal of attention to investments and his address was directed along that line.

#### Nollen Is a Mathematician

From the west came President H. S. Nollen of the Equitable Life of Des Moines. Chairman Ecker said that Mr. Nollen's hobby is mathematics. He declared that he applies mathematics to everything he does. Chairman Ecker says, "It is said that the real reason Mr. Nollen took up golf was not so much for the exercise or for the fun of sinking an 18-foot putt, but to study the trajectory of the ball and the mathematical reasons for hooks and slices. He also plays billiards, but is more interested in calculating the mathematical chances of a perfect shot than in the actual execution of one."

Vice-President Alfred Hurrell, the

first speaker Friday morning, was in excellent form and gave a comprehensive address on statecraft. Mr. Hurrell was formerly counsel for the New York state insurance department and afterwards was counsel to the Merritt legislative committee of the New York legislature. He became attorney for the Association of Life Insurance Presidents in 1911 and after four years went with the Prudential. He is serving his four year term as mayor of Glen Ridge, N. J. Mr. Hurrell is an impressive speaker.

Insurance Commissioner Livingston represented the National Convention of Insurance Commissioners and as is the custom of the Life Presidents, the president of that organization is invited to speak. Mr. Livingston had 25 years' experience in fire insurance as a local agent, rater, field man and general agent before becoming insurance commissioner. He entered on his second four year term in January. Mr. Livingston stated that the great majority of companies supervise themselves and it is the few that require the attention of the commissioners and make all the trouble.

#### Welch Speaks from Actuarial Standpoint

A. A. Welch, president of the Phoenix Mutual, was formerly an actuary and gained his fame in that field. He has been 49 years in the actuarial and executive field of life insurance and spoke largely from the standpoint of a trained actuary.

The south was represented by Vice-President and General Counsel T. J. Tyne of the National Life & Accident. Mr. Tyne is a well known lawyer in Nashville and has always been active in civic and political affairs in his home state. He served at one time in the legislature.

There is always one feature of a life presidents' meeting of special interest and that is the introduction of presidents of the American Life Convention, Canadian Life Insurance Officers Association and National Association of Life Underwriters. John M. Laird, vice-president of the Connecticut General Life, is head of the American Life Convention and was very happy in his brief talk. He spiced it with some splendid stories and was sprightly in his comments.

#### Printers Get the Money

Among other things he said, "Back in 1917, even under the stress of the world war, the companies could not get together on a uniform war clause. Only three years ago practically every company wanted to go its own gait on disability and resented even the slightest curb by the insurance commissioners. In connection with the disability revision of 1930 one officer had to prepare a complete new rate book, sales literature and 225 policy forms. He is now working on another new rate book and 19 riders to take care of the disability changes now pending. He says in rather an exasperated way that the only fellow who is making money on disability is the printer."

#### Canadian Officers Represented

C. G. Moore, assistant general manager of the Imperial Life of Toronto, last month was elected president of the Canadian Life Insurance Officers Association. That was its 38th annual meeting. Mr. Moore in order to be well fortified carried a copy of THE NATIONAL UNDERWRITER with him as he took his place on the rostrum. Mr. Moore said that the American and Canadian life companies are closely allied and have been cooperating for many years. He asserted they should march shoulder to shoulder in all movements and activities, having for their object the advancement of the best interests of life insurance.

Elbert Storer of Indianapolis, state manager of the Bankers Life of Iowa



and president of the National Association of Life Underwriters, said that he represented the employees of the company. The major activities of the National association he said have for their object four distinct purposes:

1. To find better ways of selling life insurance and disseminate that information to our members.

#### Takes Part in Legislation

2. To find better ways to conserve life insurance and disseminate that information to our members.

3. To find ways to widen the market for life insurance, and in that way help you, our employers, to place more life

insurance, more of your product to the insuring public.

4. To emphasize where necessary, and to do the other thing where necessary, the enactment or non-enactment of legislation that will be helpful or harmful to the insuring public.

It was impressed on the minds of all that many of the distinguished men participating in the meeting were self made. Manager Wight of the Life Presidents Association introducing Chairman Ecker called attention to the fact that he had been 48 years with the Metropolitan Life, having started as mail clerk and now being president of the greatest financial institution in the world.

### SNAPSHOTS OF THE CONVENTION

President T. A. Buckner of the New York Life is the only surviving member of the original executive committee of the Association of Life Insurance Presidents.

R. W. Stevens, Jr., of the agency department of the Illinois Life, son of President R. W., attended for the first time a meeting of the Life Association Presidents. He was accompanied by Vice-President J. F. Williams.

The program of the meeting this year featured the silver anniversary, the cover being in silver. It contained the original letter sent out by the then president of the Equitable Life of New York, Paul Morton, to a number of presidents suggesting that an organization be formed. It also contained a cut of the late Grover Cleveland sitting at his desk at the offices of the Life Insurance Presidents, March 5, 1908, it being the last photograph of him taken, together with an abstract from his address at the first annual meeting of the association after he became chairman and counsel.

In honor of the silver anniversary of the association at the luncheon the first day the waiters filed in one after the other, the first one carrying a huge birthday cake with 25 candles and each waiter upholding a single candle.

The delegation of pipe smokers was enlarged this year. There are many company officials that take solace in a friendly smoke of the pipe during business sessions.

President W. L. Crocker of the John Hancock Mutual Life, who always brings an infectious smile, sits invariably on the front row. President Huntington of the Connecticut General Life is another front seat executive.

General Agent John L. Shuff of the Union Central Life at Cincinnati attended the convention this year. The company officially was represented by President Clark, Vice-President G. L. Williams, Secretary W. H. Cox, Superintendent of Agencies Jerome Clark.

B. A. Dugal, insurance superintendent of Quebec and president of the Association of Canadian Insurance Superintendents, attended the meeting.

The presidents for the first time met on the eighth floor of the Astor instead of on the ground floor. A larger auditorium was desired and one with better acoustics than the former meeting place. General Manager Wight undoubtedly had in mind the effect of the artistic on the minds of the listeners for in great evidence were the flimsily gowned caryatides, encircling the room.

Three of the men participating in the Life Presidents program spoke at the dinner tendered James Victor Barry, retiring third vice-president of the Metropolitan Life, they being President Ecker of the Metropolitan Life, Insurance Commissioner Livingston of Michigan and Alfred Hurrell, vice-president of the Prudential. Mr. Hurrell was toastmaster at the Barry banquet.

William BroSmith, vice-president of the Travelers, missed attending the Association of Life Insurance Presidents meeting and the other activities of insurance week. At the suggestion of President Ecker of the Metropolitan Life, who was presiding over the presidents' meeting, a telegram was sent to Mr. BroSmith in which among other things it was said, "We miss you greatly but realize much satisfaction in the

thought that you have been fighting the doctors to let you come. We are confident that you will soon win another of your victories over the doctors." Mr. BroSmith is in a hospital at Hartford on account of illness.

President Ecker, presiding over the Life Presidents meeting at the beginning of the session Friday, called attention to the fact that William Alexander, secretary Equitable Life of New York, always attends the convention. He has not missed a session since the Life Presidents' organization was established. President Ecker stated that Mr. Alexander had just attained his majority when he entered the service of the Equitable. For over 62 years he has served that company and for over 50 years has been its secretary. He called on Mr. Alexander to stand up and he was given a round of applause.

The resolutions committee consisted of F. A. Allen, Mutual Life of New York, chairman; Chandler Bullock, State Mutual Life; C. A. Craig, National Life & Accident; W. H. Davis, Pacific Mutual Life; C. S. MacDonald, Confederation Life of Canada; Julian Price, Jefferson Standard; A. E. Tuck, Equitable of New York, and G. L. Williams, Union Central.

The nominating committee consisted of E. J. Heppenheimer, Colonial Life, chairman; F. H. Rhodes, Berkshire Life; G. S. Nollen, Bankers Life of Iowa.

President Ecker called attention to the fact that there were three speakers on the program who were sons of Presbyterian ministers—Maj. W. D. Herridge, Canadian minister to the United States, President W. A. Law of the Penn Mutual and C. F. Collisson, farm editor of the Minneapolis "Tribune."

C. G. Taylor, assistant manager of the Life Presidents Association, officiated for the last time in that capacity as he will take his new position as third vice-president of the Metropolitan Life, the first of the year and will assume as part of his duties those heretofore given Third Vice-President James Victor Barry.

#### "Ad" Conference to Meet in New York City Oct. 3-5

NEW YORK, Dec. 17.—The abolition of every unjustifiable expenditure was the keynote at the executive committee meeting of the Insurance Advertising Conference here last week. On the other hand, adequate funds were voted to both the life and fire groups to carry out vigorous, constructive plans along advertising and business promotional lines. It is felt that the present business situation offers an excellent opportunity for the conference to further demonstrate its usefulness.

It was decided to hold the 1932 annual meeting Oct. 3-5 in New York City. Many of the members also attend the annual meeting of the Direct Mail Advertisers Association, which opens Oct. 5.

Of the committee chairmen appointed at this meeting, those who have accepted are: Publicity, Harold E. Taylor, American of Newark; pirating of names, Chauncey S. S. Miller, North British & Mercantile; frontier safety, Robert G. Richards, Atlantic Life.

## IT CAN BE DONE

November was "Grant Month" with the B. M. A., in celebration of President Grant's birth month.

To properly celebrate — the largest quota of the year was assigned — and exceeded.

Competition among salesmen and between branch offices was keen — creating a new loyalty and enthusiasm.

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## NEWS OF THE COMPANIES

### Change American Indemnity

Nebraska Assessment Concern Becomes  
Legal Reserve Company—Licensed  
to Write Life, A. & H.

The American Indemnity Life, with home office in the Sharp building, Lincoln, Neb., which was organized in 1927 as an assessment association, licensed to write accident and health insurance, has now been organized as a legal reserve mutual company, licensed to write life, accident and health. Orville A. Andrews is president. Associated with Mr. Andrews are his two sons, Luther G. Andrews, executive vice-president and secretary, and Orville A. Andrews, Jr., junior vice-president. Dr. Oliver W. Everett, Lincoln, is medical director. Directors of the company in addition to the officers are John R. Phester, North Bend, Neb., and Dr. E. A. Everett, Lincoln.

President Andrews has served as an officer and director of a number of insurance companies, but has now severed

all other connections, giving his entire time to the American Indemnity Life. He has been a resident of Nebraska for many years and has a wide background of experience as a farmer, school teacher and railroad man, in addition to his many years in insurance work. He has been very prominent in the Masonic fraternity, serving as grand master for Nebraska in 1930-31.

### Living Value of Policy Is Stressed by New York Life

The New York Life in the first ten months of 1931 paid or credited to living policyholders more than \$59,300,000 in dividends alone, as compared with \$59,000,000 paid beneficiaries in death claims, the company points out in emphasizing the living value of the life policy as compared with the death value. Dividends, matured endowments, surrender values, annuities and disability benefits paid amount to more than \$2 for each \$1 paid beneficiaries of the dead, it is reported. The company in the first

ten months paid to living policyholders \$127,200,000, which in addition to dividends included \$9,000,000 matured endowments, \$48,900,000 surrender value, \$1,700,000 annuities and \$8,300,000 disability payments, including premiums waived.

### New York Life Record

The New York Life reports an increase in November of 3,500 applications received, and \$8,000,000 in volume of new business over the same month last year. President T. A. Buckner reports that the total was 25,500 applications for \$79,000,000. This follows a gain of 1,500 applications and \$1,000,000 volume in October. In many instances the insurance was intended as Christmas presents for beneficiaries.

### Report on Old Line, Lincoln

LINCOLN, NEB., Dec. 17.—Commissioner Herdman has made public the result of an examination of the Old Line of Lincoln, made jointly with representatives of Kansas and North Dakota. The examiners report that commissions paid to agents, which were involved in a recent hearing against some of its agents, are liberal, but not out of line with what are paid by other companies. The last examination was

made in 1927. Since that date the company's assets have increased nearly \$2,000,000 and now total \$4,760,000. The company has \$2,125,000 invested in first mortgage loans, policy loans of \$564,000, bond investments of \$1,633,000 and cash of \$66,785. The listed surplus totals \$258,396.

### Northwestern National Drive

In November, for the fourth consecutive month, production of the Northwestern National Life of Minneapolis showed an increase. In November the increase was 22 percent over November, 1930.

The White & Odell agency, Minnesota state agents, had the best record. This agency is engaged in a strenuous year end drive in an attempt to put its 1931 production over the \$16,000,000 mark. Its 1930 record was \$14,661,600.

H. O. Wilhelm & Co. of Omaha and Des Moines was second in November and the Hugh B. Keck agency of Chicago, third.

### Provident Has Record November

The Provident Mutual Life's issued business for November broke all November records in the company's history. The total was \$11,933,250, nearly \$3,000,000 ahead of last year's figures. The paid-for figures show a gain of nearly \$2,000,000 over 1930.

### New Directors Elected

J. F. Porter, president of the Kansas City Power & Light Co., and G. W. Foster, president of the George W. Foster Lumber Company, have been elected directors of the National Fidelity Life of Kansas City, Mo.

### Offices Moved to Texas

DENVER, Dec. 17.—The medical, actuarial, underwriting and policy departments of the Continental National Life are being moved to San Antonio, Tex., according to announcement of President Charles E. Becker, who is here to complete arrangements.

Although the home office of the company will remain here, the removal of these departments was decided upon in the interest of economy, as San Antonio is the home of Mr. Becker as well as the Continental's parent company, the Great American Life Underwriters, also headed by Mr. Becker.

The Denver office will be in charge of R. D. Slagle, vice-president, who will supervise Colorado sales. Colorado renewal premiums will be collected here.

### Declare Regular Dividend

Directors of the Continental Casualty and Continental Assurance of Chicago have declared the usual quarterly dividend of 40 cents a share to stockholders of the casualty company and 50 cents a share to those of the life company. The dividends are payable as of record Dec. 15 to the life company stockholders on Dec. 31 and to the casualty company stockholders Jan. 2.

### Study Building Plans

The new building committee of the Western & Southern Life composed of Judge Wm. H. Lueders and J. D. McCracken, directors, and Albert Wachtel, purchasing agent, are in New York and other eastern cities to inspect home office buildings for the purpose of perfecting plans for the new Western & Southern building to be erected in Cincinnati on Broadway between Fourth and Fifth streets.

### Fraternal May Quit

ST. PAUL, Dec. 17.—The Sons of Hermann is about ready to quit business. Members will meet this month to vote on a proposition to pay off endowment policies and cancel ordinary life policies, subject to an opinion of the attorney-general if the plan is legal. Sons of Hermann have about 2,000

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WICHITA, KANSAS

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THAT  
PROTECT"



members in the state and their last statement showed insurance in force amounting to about \$2,000,000.

#### Adds to Home Office

Construction of an addition to the home office building of the Connecticut Mutual Life has been started. This will add 9,000 additional square feet. The estimated cost is \$70,000.

#### Equitable's November Business

The November paid business of the Equitable Life of New York aggregated \$68,387,000, an increase of \$13,353,000 or 24 percent over the corresponding month of last year. There is an increase of 8.1 percent in volume of new ordinary insurance and an increase of 3,128 policies or 21 percent.

#### Guardian Life Records Good Gain

The Guardian Life's paid production last month was 16 percent above November, 1930, with a marked increase in submitted and issued business.

The only special effort in the way of a campaign was an informal drive the final week of the month for new business as a "welcome home" greeting to Vice-President McLain on his return to the home office from a belated vacation abroad.

#### Great Republic Report Favorable

LOS ANGELES, Dec. 17.—The recent triennial examination of the Great

Republic Life, conducted jointly by the California, Texas and New Mexico departments, resulted in a very favorable report of the condition of the company, being entirely free from any adverse criticism. The company was especially commended for its prompt and fair settlement of claims.

#### Aetna Life Dividends

The regular quarterly dividend, payable Jan. 2, to stockholders of record Dec. 9, has been declared by the Aetna Life, Aetna Casualty and Automobile of Hartford.

#### Examining Life of Virginia

A periodical examination of the Life of Virginia is being conducted jointly by the Virginia, North Carolina and Oklahoma departments.

#### Lamar 29 Percent Ahead

November production of the Lamar Life was almost 29 percent more than for the same month last year.

#### Bankers Mutual Shows Gain

To Dec. 3 the Bankers Mutual Life of Freeport, Ill., had written more insurance than was ever secured in any previous year. The company will show a substantial gain in insurance in force for 1931. It has had an excellent year.

Frederick Bruchholz's clearing house branch of the New York Life, Chicago, showed a gain in November business.

## AMONG COMPANY MEN

### Lewis Is Given Higher Post

Made Assistant Superintendent of Agencies of Bankers Life of Iowa, Working in East

Marvin E. Lewis of Des Moines has been appointed assistant superintendent of agencies for the Bankers Life of Iowa. When Mr. Lewis was married he was a salesman of building materials in Des Moines and Mrs. Lewis was an employee in the home office of the Bankers Life. Thoroughly sold on life insurance and convinced that life insurance selling offered unlimited opportunities, she began "selling" her husband before the honeymoon was over. Feminine persuasion finally prevailed and in June, 1924, Mr. Lewis signed a contract to represent the Bankers Life in Des Moines. Two years later he was a leading producer of the Des Moines agency and within five years supervisor of the Des Moines agency and writing new business at the rate of \$300,000 or more per year.

Early in 1930 Mr. Lewis was made regional supervisor in eastern territory and last May he was called back to Des Moines and placed in charge of the newly created home office agency with the title of agency supervisor.

When the company decided recently to divide its territory into five districts with an assistant superintendent of agencies in charge of each, Mr. Lewis was selected to fill one of the two vacancies created. He will operate in the states east of the Mississippi river.

### Vetter With the Midland

KANSAS CITY, MO., Dec. 17.—L. H. Vetter, formerly superintendent of the actuarial department of the Minnesota Mutual and for ten years associated with that company, has been appointed assistant secretary and assistant actuary of the Midland Life here.

### Wilbur Woollen Resigns

Wilbur V. Woollen, executive home office field supervisor of the Provident Life & Accident of Chattanooga since March, 1930, is tendering his resigna-

tion. He was formerly in supervisory work for the life department of the Travelers, and later had a similar position with the Indiana state agency of the Connecticut General Life. He has done very satisfactory work.

### G. F. Ream to Home Office

George F. Ream, formerly assistant to J. S. Drewry, general agent for the Mutual Benefit in Cincinnati, has been appointed field service manager in the agency department at the head office. He is a graduate of Cornell College of Iowa and is the brother of M. Jay Ream, formerly of the Mutual Benefit's home office, who is now general agent for the company at Pittsburgh.

### James P. Sullivan Now Suing Lincoln National, A. M. Best

J. P. Sullivan of Chicago, who came into prominence at St. Louis when he was general agent of the Lincoln National Life and specialized on the "Emancipator policy," which he devised, has filed two recent suits. His contract with the Lincoln National at St. Louis was terminated Feb. 25, 1930. He has brought suit in St. Louis for \$100,000 damages against the Lincoln National Life, charging that President Hall on Feb. 26 wrote a letter to an insurance paper declaring that the contract was canceled on account of misrepresentation. Mr. Sullivan is bringing suit in New York City for \$250,000 alleged libel against Alfred M. Best, head of A. M. Best Company. Mr. Sullivan declares that Best's Life Insurance News published an editorial concerning his activities in St. Louis which he declares contained false and defamatory statements.

### Confer on Convention Plans

Charles C. Thompson of Seattle, vice-president of the National Association of Life Underwriters, was a San Francisco visitor last week, conferring with Otto Zeus, general chairman of the 1933 convention; Arthur S. Holman, second vice-president of the National association, and Ben F. Shapero, president of the San Francisco association.

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## THE NATIONAL UNDERWRITER

LIFE INSURANCE EDITION

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### Member Audit Bureau of Circulations

### Insurance Camaraderie Minus Partisanship

THE dinner in New York City last week in honor of JAMES VICTOR BARRY on his retirement as third vice-president of the METROPOLITAN LIFE was not only a personal tribute to a man who has contributed much to the business but it went beyond that. There was gathered together at this dinner perhaps the most representative body of insurance men from all classes of the business that ever assembled. The topnotchers from companies, organizations and allied interests were there. The insurance commissioners were ably represented.

At the great casualty convention held every year at White Sulphur Springs there are gathered together more prominent casualty and surety men. At the annual gathering of the ASSOCIATION OF LIFE INSURANCE PRESIDENTS and the AMERICAN LIFE CONVENTION there is a greater array of life insurance executive talent. At the annual meeting of the NATIONAL BOARD OF FIRE UNDERWRITERS there is a larger assembly of executives in the fire field.

At the meetings of the NATIONAL CONVENTION OF INSURANCE COMMISSIONERS there are more supervising officials present. At assemblages of the organizations comprising the AMERICAN MUTUAL ALLIANCE there is a larger outpouring of conspicuous executives in the fire and casualty mutual fields. At the meetings of the NATIONAL FRATERNAL CONGRESS there are more outstanding fraternalists on hand.

However at the Barry dinner there was gathered in one room a body of most eminent men in insurance from all these lines. After all insurance has something in common. Once in a while this point is brought to the front. At the Barry dinner partisanship, trade and sectional differences were buried. It mattered not whether a man belonged to an organization or not. The complexion of his company was not questioned. The standard bearers of insurance—a great business—were on hand. The dinner emphasized the vastness of an enterprise directed by men of such eminence, stability, character and genius.

### Preparing for the Future

A MAN can provide for a situation, tragic though it may be, if he knows something about what may happen and when it will occur. It is the unseen, the unpredicted, the sudden happenings that are bewildering and confusing. Insurance men are now becoming convinced that they need to settle down for a rather long pull of harder work. They do not believe that "prosperity is just around the corner." There may be some improvement during the next year but it will not be material. We must adapt ourselves to the new order. That will not be so difficult because we know what is before us.

If we get out of our minds that there is going to be a big upturn and sudden recurrence of prosperity, we then can get down to business, prepare for conditions as they exist and meet the

future with courage. We certainly are not ready to give up when the fighting is exhilarating and the chance of victory is so great. There are insurance men who have shifted their gears and find that their income is being sustained by taking advantage of new opportunities. Then again we all need to work harder. We have plenty of reserve power. We do not draw upon our latent resources very often. We would be much stronger spiritually, mentally and physically if we did. When we get our second wind nothing can stop us.

Insurance like other activities has been affected by the economic storm. It had enjoyed too big a boom. It had grown too fast, it had gotten out of tune with some of its vital relationships. We are simply paying the penalty of our folly at the present time.

## PERSONAL SIDE OF BUSINESS

C. F. Williams, president Western & Southern, has been appointed the 1932 Cincinnati community chest campaign.

S. E. Stilwell, vice-president and actuary Western & Southern, has been placed in charge of placing the Cincinnati police relief fund on a sound basis.

Dr. J. W. Glover, to whom most of the younger actuaries in the west owe their earlier training, has been presented with a plaque by the Actuarial Association of the University of Michigan. Dr. Glover resigned as professor in the actuarial department of the University of Michigan some time ago to become president of the Teachers Insurance & Annuity. The letter of presentation was written by Henry F. Ries, actuary for the Sterling Mutual Life of Houston, who is president of the Actuarial Society of the University of Michigan.

Maj. Gen. J. G. Harbord, chairman of the board, Radio Corporation of America, has been elected a director of the New York Life to fill the vacancy created by the death of F. H. Revell, publisher, who had been a director since 1906.

W. W. Putney, president of the Midwest Life of Nebraska, has been elected a member of the board of directors of the Lincoln chamber of commerce, with insurance, financial and real estate interests in his charge.

Miss Jane B. Loomis, daughter of James Lee Loomis, president of the Connecticut Mutual Life, has joined the ranks of life underwriters, and has become affiliated with the Thompson & Taintor general agency of the Connecticut Mutual in Hartford.

Miss Loomis, who is taking the company's sales training course to familiarize herself with insurance salesmanship, is a graduate of Smith College and was prominently identified with student activities there.

The Hotel Galvez at Galveston, Tex., one of the best known beach hotels in the country, has been purchased by J. F. Seinsheimer, president of the American Indemnity Company, and associates. R. L. Kempner, vice-president of the Texas Prudential, is secretary-treasurer of the new company holding the big beach hotel and Mr. Seinsheimer is vice-president.

Nathan H. Williams, who had been general agent for the Connecticut General at Springfield, Mass., since 1890, and was that company's oldest general agent in point of service, died at his home at the age of 75. He was a native of New London, Conn., and became associated with the Connecticut General 44 years ago. He was one of the early presidents of the Western Massachusetts Life Underwriters Association.

Joe C. Caperton, Detroit, general agent Phoenix Mutual Life, and secretary of the Life Managers' Association, had a narrow escape from death last week when, blinded by a snow storm, he crashed into a freight train near Midland, Mich. The car was very badly damaged but Mr. Caperton and a companion escaped by leaping out a moment before the crash.

Lowell Thomas' "Literary Digest" broadcast recently brought one of the Aetna Life's star agents into prominence. Mr. Thomas related the story of how the agent, Henry Robbins of Philadelphia, fell in a manhole landing on the head of a workman. Robbins explained "my lamps are dim" and then sold the workman an accident policy. Robbins is 31 years old. He has been self-supporting since 9, working his way through the Pennsylvania In-

stitute for the Blind, winning a scholarship to the University of Pennsylvania and graduating.

In soliciting magazine subscriptions he called on W. R. Harper, Aetna Life Philadelphia general agent, with the result that he started selling insurance. He has qualified for three annual Aetna Life conventions, has appeared on the list of men who produce better than \$250,000 annually for six years. He is earning well over \$7,500.

His interviews are carried on normally. By means of Braille markings he points to figures and illustrations as accurately as though he sees. He has translated every item of the company's sales literature including the rate book into Braille.

His rating with his company is one of the highest as to intelligent analysis of needs and accurate application of suitable coverage. He is one of the Aetna's best informed men.

He supports his mother in their fine home. He has helped several blind boys through school.

At age 60 his insurance on himself will start paying him \$250 a month.

W. D. Jelks, 76, founder and for 20 years president of Protective Life of Birmingham and former governor of Alabama, died suddenly Sunday at his home in Eufaula, Ala. He had been ill for a few days but his condition was not considered serious.

On leaving the governor's chair in 1907 and after a notable career in politics he founded the Protective Life. Under his guidance it grew from a company of approximately \$100,000 in assets to one with \$3,000,000 in assets and \$30,000,000 insurance in force. In 1927 S. F. Clabaugh was elected president and Governor Jelks became chairman of the board, a position he held until his resignation in 1929 on account of ill health.

Jesse Bounds, president Lamar Life, spoke over the company's radio station, WJDX, twice last week as part of a program in celebration of the Lamar Life's anniversary. President Bounds spoke on "Our Responsibility to Our Own" and "The Life Insurance Man."

Charles Warren, special agent for the Massachusetts Mutual in Oklahoma City, has been elected president of the local branch of the American Business Club. L. C. Mersfelder, general agent there for the Kansas City Life, has been elected and will be installed in January as president of the Kiwanis Club.

S. B. Love, manager at Richmond for the Mutual Life of New York, has been elected a member of the Southeastern Economics Association. For several years he has been delivering lectures on life insurance before the class in economics at the University of Virginia. Dr. T. R. Snavely, head of the department, is a vice-president of the association. Mr. Love will deliver another lecture before the economics class in January and will also lecture at the University of Maryland.

Nelson Bond of Apple & Bond, general agents in Maryland for the Travelers, and his family are on a six weeks' trip to France and England.

F. V. Keesling of San Francisco, vice-president and general counsel of the West Coast Life, was in New York last week attending the insurance commissioners' meeting, the Association of Life Insurance Counsel and the Association of Life Insurance Presidents' gathering. He was vice-president of the Association of Life Insurance Counsel and was slated to be elected president Wednesday. On Monday evening he was out with some of his close friends and one of them asked if his middle name was



"Vanderbilt." Mr. Keesling jocularly replied that it was. Therefore his friends concluded that they would get in touch with one of the press bureaus and a news story was telegraphed to San Francisco which appeared Tuesday morning stating that Francis Vanderbilt Keesling had been elected president of the Association of Life Insurance Counsel. Mr. Keesling therefore began to get telegrams of congratulation. As the election was not to be held until the following day he was nonplussed.

He ascertained what had been done and then sat in an uneasy chair until the election was finally over and he was chosen as president. One of the telegrams he received was from Mayor Angelo Rossi of San Francisco.

Leonard Houghton, secretary of the National Aid Life, Oklahoma City, was married last week to Miss Betty Lee of Hannibal, Mo. Mr. Houghton is the son of H. B. Houghton, president of the company.

## LIFE AGENCY CHANGES

### Somers Named in Chicago

**Continental Assurance Appoints as General Agent Former Life Manager of Rollins-Burdick-Hunter**

The Continental Assurance of Chicago this week began a campaign of intensive cultivation of its home office territory with the appointment as general agent at Chicago, effective Jan. 1, of Roger W. Somers, an outstanding



ROGER W. SOMERS

underwriter who since March 1, 1925, has been manager of the life department of the Rollins-Burdick-Hunter Company there.

Edward McAllister, who has been closely associated with Mr. Somers for five years, will continue with him as assistant in the new agency which has been opened in the Borland building, 105 South LaSalle street.

#### Developed Fine Business

As life manager for Rollins-Burdick-Hunter, Mr. Somers was very successful and developed one of the finest life businesses in Chicago. His activities were not only directed along the lines of ordinary, but for several years he has been one of the outstanding producers of group in the country.

Mr. Somers is a Chicagoan, born Jan. 9, 1894. He was graduated from Englewood high school in 1911 and received his LL.B. in 1918. He served in the 10th division during the world war, and on discharge Dec. 6, 1918, entered insurance as general agent for the Medical Protective of Fort Wayne, Ind. The next year or so he became interested in life insurance and ultimately resigned his agency with the Medical Protective to enter life insurance on his own behalf. His success attracted the attention of Rollins-Burdick-Hunter.

His appointment is considered one of the most important that has been made in Chicago for some time and he is deemed a distinct acquisition by the Continental. It is assured that he will command a considerable premium income on a brokerage basis from the start, and he will go after a considerable amount of well selected brokerage business. However, he also will build a competent agency force.

### Smock Given Advancement

**Bankers Life Central Iowa General Agent Made General Field Supervisor —Reorganize Home office Agency**

W. E. Smock, for nearly a quarter of a century agency manager for the Bankers Life of Des Moines in central Iowa, has been made general field supervisor for that company. His territory of 13 counties in central and northwest Iowa has been consolidated with the home office agency in Des Moines. Mr. Smock's new duties will include special organization and training work, under home office supervision. He became affiliated with the Bankers Life in 1907 as an agency manager and was in charge of the same territory continuously.

The home office agency will now consist of 15 counties. After Jan. 1 it will be in charge of G. D. Curry with the title of agency supervisor, and operated under the direction of the company's sales department. Mr. Curry succeeds M. E. Lewis, who has been appointed an assistant superintendent of agencies. The new home office agency supervisor has been with the company since 1924 and was made a regional supervisor early this year.

J. W. Beachy, Jack Cantrell and A. D. Ross, regional supervisors, have been named district supervisors and will assist in the reorganization of the home office agency. They formerly operated in the western and eastern districts.

### Sullivan Takes Twin Cities

**Transferred by Union Central Life from Sioux City, Ia., to Minneapolis as Manager**

Claude M. Sullivan, Union Central Life manager at Sioux City, Ia., has been appointed manager for the same company at Minneapolis, taking charge of the combined Minneapolis and St. Paul agencies. Lorin Hord has been manager in Minneapolis and L. T. Hemmelgarn in St. Paul. Both resigned recently.

Mr. Sullivan has been manager in Sioux City for the past three years, where he made an outstanding record, tripling the production and man power of the agency.

Prior to becoming a manager for the Union Central he was a part time agent at Cherokee, Ia., where he averaged \$300,000 a year paid-for business. He started with the company there 14 years ago.

#### L. L. Gwaltney, Jr.

L. L. Gwaltney, Jr., has been appointed district agency manager in Birmingham, Ala., by the Lamar Life. Mr. Gwaltney has had a wide experience in life insurance. He had served with the Lincoln Life as agency supervisor and as supervisor of agencies and field organizer for the Liberty National Life. He has opened offices in the Martin building, Birmingham.

#### H. H. Harding

Howard H. Harding has resigned as assistant manager of the Connecticut

# Entering Its 40th Year

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A Good Company to Represent



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A strong financial foundation  
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**Guaranty Life Insurance Co.**  
Davenport, Iowa

General Life at San Francisco, rejoining the staff of the Aetna Life under E. H. Lestock Gregory, general agent. Mr. Harding was one of Mr. Gregory's leading producers for many years before joining the Connecticut General about two years ago.

#### Lloyd D. Harrison

Lloyd D. Harrison, who has been one of the leading personal producers of the Chicago branch of the Phoenix Mutual Life, will go to Detroit on Jan. 1 as supervisor of the Detroit branch, of which Joe C. Caperton is manager. Mr. Caperton has been directing the sales efforts of the agency personally.

#### H. T. Hampe

Henry T. Hampe, for the past seven years a member of the staff of the Sioux City, Ia., agency of the Union Central Life, has been appointed manager there to succeed Claude M. Sullivan, who has been transferred to Minneapolis as manager.

#### A. P. Arnett

A. P. Arnett, who has been assistant agency supervisor of the eastern Ohio branch of the Ohio State Life, with headquarters at Lexington, has been appointed a general agent and has moved to Ashland, Ky. He will have Boyd, Carter, Greenup, Lawrence, Johnson, Floyd and Pike counties under his direction.

#### C. B. Rowley

C. B. Rowley has been appointed supervisor of the Peoria Life in Pennsylvania. He joined the company in 1911 and shortly afterwards became field manager. In 1929 he resigned to engage as the head of a business venture but now has disposed of other interests and is returning to the Peoria Life.

#### Life Agency Notes

W. M. Morrow, Seattle, Wash., has been appointed general agent for the Lincoln National Life.

G. C. Ferguson, former New York state assemblyman, has been appointed district manager for the Equitable Life of

## Twin City Manager



CLAUDE M. SULLIVAN  
Transferred by Union Central from  
Sioux City to Minneapolis

New York in Utica, N. Y. He succeeds G. R. Foote, who has been promoted to manager at Syracuse.

C. L. McManis, formerly of Indianapolis, has been placed in charge of a new Chicago branch office for the Western & Southern Life in the Devon Trust & Savings Bank building.

J. McKee Gould has been appointed assistant agency manager of the Portland, Ore., agency of the California-Western States Life, with headquarters at Eugene, Ore.

George Nowotny, formerly with the Alamo Life at New Braunfels, Tex., has been appointed general agent of the Amicable Life for Comal and Gaudalupe counties, with headquarters at New Braunfels.

Malcolm Wood, unit manager in the Denver agency of the Equitable of New York, for the past six years, has been appointed a supervisor of agents for the Colorado agency of the New England Mutual.

## LIFE COMPANY CONVENTIONS

### Southwestern Life Men Meet

More Than 400 of Company's Leading Producers Attend Agency Convention in Dallas

DALLAS, TEX., Dec. 17.—More than 400 of the leading producers of the Southwestern Life attended the annual agency convention in Dallas. They discussed selling problems, heard company officials relate its growth of the concern and outline the work for the next year. Other speakers were W. A. Tarver, chairman of the state board of insurance commissioners; Nathan Adams, president First National Bank of Dallas, and Dr. W. A. Alexander of the First Presbyterian Church of Highland Park.

#### Company Officials Speakers

Mr. Tarver discussed "Modern Life Insurance," Mr. Adams "Business Outlook in Texas," and Dr. Alexander "The Third House from the Corner."

Company officials addressing the convention included T. L. Bradford, chairman of the board; T. W. Vardell, president; R. R. Lee, vice-president and agency director; R. A. B. Goodman, vice-president and secretary, and L. J. Mollet, assistant agency director. An agency school was a feature of the program.

The Southwestern, reports showed, did an excellent business the past year, despite hard times and panicky conditions. The outlook for the next year is better, officials reported.

### Eastern Agents to Meet Jan. 4

Northwestern Mutual Life Producers to Hold Annual Gathering in New York City

MILWAUKEE, Dec. 17.—Plans for the annual meeting of representatives of the Northwestern Mutual Life of Milwaukee in the New England, middle Atlantic and south Atlantic states in New York City on Jan. 4-5, have been completed.

Erroll Ripley, Goldsberry & Roberts general agency, Pittsburgh, will be chairman of the Monday morning session, which will be devoted to the theme, "Know Yourself." The entire convention will be built around the idea, "Putting Into Effect What You Know."

Speakers on the Monday morning program will be Henderson Peebles, Goldsberry & Roberts agency, on "Expression, Not Depression;" John Binns, Gooding & Rowley general agency, Newark, on "Be Yourself," and J. Warner Heinekamp, Atlantic City, of the H. N. McAfee general agency at Trenton, N. J., on "Me 'n You."

Monday afternoon Herbert L. Smith, general agent Harrisburg, Pa., will preside and the playlet, "What Price Policy Loans," will be presented by members of the Hergesheimer & Finkbinder general agency, Philadelphia. Harry R. Ricker, assistant secretary, will speak on "Building for Permanency" and F. G. Clendaniel and J. H. Baldwin of the



A. L. Baldwin general agency at Washington, D. C., will close the program with a sales demonstration, "The Financial Plan."

Earl E. Lincoln, general chairman of the eastern meeting, and Rochester, N. Y., general agent, will preside at the dinner meeting on Monday evening. The principal speaker will be Josh Lee, University of Oklahoma.

#### Tell "How They Did It"

Clifford L. McMillen, general agent New York City, will be chairman of the Tuesday morning session, which will be built around the idea, "Know Your Business." Outstanding underwriters will be quizzed on "how they did it." Mr. McMillen will be chief prosecutor, and George Kutcher, Recht & Kutcher general agency, New York City, and Russell L. Law, general agent Baltimore, will be the assistant prosecutors.

A luncheon conference Tuesday noon, with "Know Your Company" as its theme, will conclude the meeting. Michael J. Cleary, vice-president, will give the address.

#### Great West Conferences

Managers from the eastern division of the Great-West Life of Winnipeg met in Toronto and Montreal to confer with C. C. Ferguson, general manager, H. W. Manning, assistant general manager and Dr. W. L. Mann, new chief medical referee.

These meetings with the recently appointed branch managers are being held chiefly to discuss matters arising from the agency changes made within the past month or two and to coordinate agency plans for the coming year.

Managers of those branches comprising the western division will gather at Regina where the same executives will be present to go over the sales situation in a similar way.

#### Volunteer State to Miami

CHATTANOOGA, TENN., Dec. 17.—The annual agency convention of the Volunteer State Life will be held Jan. 4-6 at the Miami, Fla., and will be attended by about 75, including home office officials. There will be no outside speakers and the principal subjects to be discussed will be conservation and agency training. Those who will attend from the home office are President A. L. Key, A. V. Mozingo, agency vice-president; Dr. J. B. Steele, medical director; Seneca M. Gamble, assistant agency manager, and H. H. Mansfield, agency secretary.

#### Western & Southern Meeting

All Indiana managers, superintendents and agents of the Western & Southern Life met in Indianapolis recently and were addressed by President Charles F. Williams and C. J. Holloway, superintendent of agencies.

#### Superintendents' Meeting

Superintendents of agents of the Equitable of New York met recently in Atlantic City for a three-day conference with home office officials, including Vice-presidents A. G. Borden and W. W. Klingman.

#### Observe Tenth Anniversary

More than 200 representatives of the National Aid Life of Oklahoma City attended the tenth anniversary convention in Dallas, Tex. At the anniversary luncheon President Houghton acted as toastmaster. Among the key speakers were W. J. Rochelle of the Texas state department, State Senator Joe Moore, and Rev. J. L. Houghton of Houston, Tex.

A general meeting will be held Jan. 5 at Oklahoma City.

#### Franklin Life Colorado Meeting

A. O. Merriam, vice-president Franklin Life; C. E. Randall, superintendent of agencies, and Will Taylor, secretary, will attend an agency meeting in Mani-

tou, Colo., Jan. 21-23, for company representatives in Colorado, western Nebraska and western Kansas, which territory is under the supervision of James Godard.

The annual meeting of general agents and managers of the Franklin Life will take place at the home office in Springfield, Ill., Jan. 11-13. H. G. Kenagy, assistant manager Life Insurance Sales Research Bureau, will discuss agency problems the last two days of the meeting.

#### Columbus Mutual Meeting

LANSING, MICH., Dec. 17.—A state convention of Columbus Mutual Life representatives was held here on Saturday with 78 agents from all parts of the state present. President D. E. Ball was presented with \$185,000 in new business, a portion of the applications obtained in an intensive drive from Nov. 11 to Dec. 11 in honor of C. W. Brandon, founder and president-emeritus, whose 73rd birthday was Dec. 11.

The agents organized a Columbus Mutual Life club, which will meet semi-annually in various cities throughout the state. Officers are: Myron Hawkins, Charlotte, president; Elmer Newark, Lansing, first vice-president; Charles Durant, Pontiac, second vice-president, and George Dobbin, Jackson, secretary-treasurer.

Dr. S. S. Huebner and President Ball were the headliners on the speaking program.

The annual convention of the western Missouri agency of the Northwestern Mutual, according to Sam C. Pearson, general agent, will be held at Kansas City Jan. 8-9. Russell Thierbach, assistant superintendent of agencies, will talk.

### Southern States Local News

#### Demand Tax From Fraternal

Alabama Insurance Department Assesses Woodmen \$39,000—United Mutual and Liberty National Must Pay

MONTGOMERY, ALA., Dec. 17.—As a sequel to Attorney-General Knight's two recent opinions, declaring that fraternal organizations writing life insurance on an adequate rate basis must pay the state 1 percent premium tax, and that a legal reserve life insurance company must pay the state's 2 percent premium tax on inherited business, F. M. Phillippi, deputy superintendent of insurance, late last week wrote 28 letters to fraternal organizations and two to legal reserve companies demanding a total tax of \$81,563.

In practically all cases taxes for five years, from 1926 to 1930 inclusive, were asked. The hardest hit is the Woodmen of the World, of which \$39,913 is demanded.

A total of \$5,046 was claimed from the United Mutual Life of Indianapolis, which took over the life insurance of the Knights of Pythias. The insurance department demanded \$4,346 from the Liberty National Life, Birmingham, for three years, 1926-28, the department stating that it understood the organization changed to a legal reserve life company in 1929.

#### Proceeds Not Liable for Debt

Arkansas Supreme Court Invalidates Law Passed in 1873 Limiting Amount of Exemption

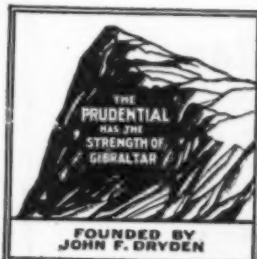
LITTLE ROCK, ARK., Dec. 17.—After being on the statute books of Arkansas for 58 years without being interpreted by the courts, an act providing that only such insurance as can be purchased with an annual premium of

## As Certain As Today

Life knows only two alternatives in molding a man's career. It will end either in OLDAGE or death.

**LIFE INSURANCE** offers him the perfect safeguard, whichever of these two eventualities occur.

If he is called before OLD AGE destroys his usefulness, it provides protection for those dependents he leaves behind. If he survives, it grants him that greatest of all boons — **INDEPENDENT OLD AGE.**



**The Prudential**  
Insurance Company of America

EDWARD D. DUFFIELD, President

Home Office - Newark, New Jersey

**5%**  
interest  
paid on trust  
funds left with

**THE LINCOLN NATIONAL LIFE  
INSURANCE COMPANY,  
FORT WAYNE, IND.**



## SOMETHING NEW THAT IS NEW IN LIFE INSURANCE

*A Dollar's worth for every Dollar paid  
regardless of kind of policy purchased*

A \$1,000.00 Endowment Policy, any age at issue, guarantees \$1,961.54 plus Dividends in event policy becomes a claim the year it matures.

Our Twenty Payment most remarkable policy of all—too much to write about in this advertisement.

We have Ordinary with and without Cash accumulation. Without cash value it furnishes Pure Protection Life insurance at non-participating rates but on a participating basis—it is estimated dividends will amount to 50% within a few years, based on actual experience past five years.

Juvenile Policies—Ordinary, Twenty Payment and Endowment from birth, with all the fine features of our Adult Policies.

Many other forms of Policies equally attractive.

*Operating in Illinois, Michigan, Indiana and Missouri*

## INTERSTATE RESERVE LIFE INSURANCE COMPANY

*A Mutual Legal Reserve Life Insurance Company*  
Ten East Pearson Street Chicago

## An UNUSUAL Contract

will be offered to

## An UNUSUAL Man

### WHO

- |                                |                                     |
|--------------------------------|-------------------------------------|
| —is a producer                 | —will WORK                          |
| —is, of course, honest         | —can organize                       |
| —has three years of experience | —needs no drawing account or salary |
| —needs no financing            | —needs no office expense            |
| —is seeking opportunity        |                                     |

### BUT

WHO will accept Home Office help in the appointment of new Agents under him for whom he will not be responsible financially and yet on whom he will receive overwriting Commissions as high as \$4 per thousand and long time Renewals.

**THE COMPANY**—is rated "A" by Best. Its rates for Insurance are extremely low

(Age 35 Ordinary Life Net Cost  
First year per thousand \$17.85)

It writes all latest forms—Participating only—including an improved Family Income form; also Juvenile. Has over \$135,000,000 in force.

**TERRITORY**—The Company desires especially to develop Indiana, Illinois, North Carolina and Texas.

**ASSISTANCE**—Experienced field men to help the man selected to build a real agency in which the Renewals are NON-FORFEITABLE.

## WE WANT AN UNUSUAL MAN

UNLESS you have no present connection, or you have a real reason for leaving your present connection and are not at fault yourself, we are not interested. Write fully about yourself. We will not communicate with references until after interview. Write U-59, The National Underwriter.

\$300 can be claimed by the beneficiary free of debts of the insured, was held invalid by the Arkansas supreme court. L. Krumpen and others sued Mary Sue Townes, widow of the late J. M. Townes, who died in July, 1930, for \$10,618, claimed to be owing to them at the time of Townes' death. They cited a statute passed in 1875 as authority to have proceeds from an insurance policy applied to the debts.

Townes carried \$30,000 in life insurance, \$15,000 being made payable to his wife as beneficiary and a similar amount payable to his estate. After loans were deducted from the policies payable to his estate, the net proceeds were approximately \$9,500, which was insufficient to meet the claims against the estate.

The lower court held that proceeds from policies naming Mrs. Townes as the beneficiary should be subjected to payment of the debts and ordered that \$10,618 should be paid to the administrator, who was directed to pay claims of the plaintiffs. This decree was reversed.

### No Allegation of Fraud

In reviewing the case, the supreme court held there was no allegation of fraud as to creditors shown in procuring the insurance and said in part:

"Under our laws the husband can make valid gifts of his property to his wife or any one else, provided he is not insolvent at the time and has left enough property to pay his debts. It also is true that in order for a subsequent creditor to impeach a valid conveyance by a debtor prior to the creation of his debt, he must show an actual intention to defraud."

The court held that there was no evidence to show any such intention at the time the insurance policies were procured, adding that the wife had a vested right in the policies made payable to her, and that the proceeds became her separate property, which was not subject to the debts of her husband.

### Change in Fayetteville Agency

The fire and casualty division of the Russum-Campbell Agency, Fayetteville, Ark., has been purchased by the Security Insurance Agency of that city. The Russum-Campbell Agency was composed of E. W. Campbell, who started the Campbell agency there several years ago, and Victor Russum, who has been in life insurance for many years and was formerly with THE NATIONAL UNDERWRITER. Mr. Campbell will return to Wetmore, Kan., still in the insurance business, and Mr. Russum will continue in life insurance at Fayetteville. He will also retain an interest in the business sold to the Security Agency.

### Former Company Head

J. F. Little, former president of the defunct Citizens Life, Huntsville, Ala., and three others of the 12 named in indictments returned by the federal grand jury in Birmingham, charging fraudulent use of mails, have been arrested in Arkansas. Only one of the 12 named in indictments remains at liberty.

### Burial Society in Trouble

LOUISVILLE, Dec. 17.—Following a hearing before Arch Pulliam, deputy commissioner, in the insurance department's office here, A. P. Grafenham, president Lincoln Benevolent Association, was ordered to pay a claim for \$250 or cease operation. W. P. Tate, actuary, reported that the concern's license in Kentucky is being held up pending completion of an audit. Miss Margaret Roper, department field agent, reported that she had received numerous complaints regarding the failure of the body to promptly pay its claims.

### Lackey Carries Message

OKLAHOMA CITY, Dec. 17.—George E. Lackey, general agent for the Massachusetts Mutual Life and im-

mediate past president of the National association, has completed a week's speaking tour through the Tulsa and Ponca City districts, carrying the message of life insurance as an investment to the dentists of the state. His trip was in connection with the extension division of Oklahoma University at Norman. Mr. Lackey's subject is "Life Insurance the Ideal Investment for a Professional Man." Plans are being formed for Mr. Lackey to carry the message to other important civic centers of the state.

### Weese Offers Turkey Dinners

N. B. Weese, general agent for the Lincoln National Life at Little Rock, Ark., will present a complete turkey dinner to each of his agents who produces a certain volume of business between Dec. 5 and Dec. 23. The Weese agency this year has produced double the amount it did for the same period last year. The leading producer has more than \$400,000 of paid business for the first 11 months.

### May Use Plane Rider

LITTLE ROCK, ARK., Dec. 17.—Commissioner Dulaney has ruled that life companies operating in Arkansas may insert in their policies a clause or "rider," providing that "death as a result of participation as a passenger or otherwise in aviation or aeronautics is a risk not assumed under this policy; but if death so results, the company will pay to the beneficiary the reserve on this policy. It is also required that in addition to the amount of reserve above mentioned that any paid-up additions or accumulated dividends held to the credit of the policy at the time of death shall be paid."

The ruling provides that in policies of insurance written in Arkansas it is also permissible for the insuring company to except a fare-paying passenger and passengers riding with a licensed carrier or on a regular route, as well as any other clause or riders in substantial compliance with the ruling.

### Lapse Situation Improved

The conservation department of the National Standard Life of Houston under the direction of Theodore Pryor reports a decided improvement in lapsed business. Mr. Pryor has worked out a very effective campaign of illustrated letters which are being sent to policyholders. He is also sending some valuable aids to agents fortifying them in their battle against lapsing business. "Regardless of conditions in the future it is a well established fact that this department will be given a large amount of attention," states Mr. Pryor.

### Texas Security Directors Meet

At the Texas Security Life's directors' meeting, John W. Carpenter, board chairman, reported it to be in good financial condition and that an increase in business in force would be shown in 1931.

Homer R. Mitchell, president, complimented executives and the agency force on their accomplishments. Sales plans were presented and discussed by James F. Rodgers and Henry Camp Harris, vice-presidents forming the "board of strategy" for agency expansion matters. John L. Briggs, assistant secretary, was complimented on his work in conducting agency schools. In each city where a school was held an immediate increase in volume of business was shown.

### First to Qualify

MONTGOMERY, ALA., Dec. 17.—The Service Insurance Company of Aniston, Ala., is one of the largest funeral and burial organizations in Alabama. It is the first to qualify under the drastic Bradford law enacted by the recent legislature regulating such organizations. It will formally qualify Jan. 1 after the exact tax due the state has been determined from the company's income.



## ACCIDENT AND HEALTH FIELD

### Sunstroke Held Not Accident

Federal Court in Pennsylvania Rules for Aetna Life in Case Involving That Point

To hold that a flushed, sunburned face is a wound or contusion would be straining language far beyond any reasonable meaning, the United States district court for the eastern district of Pennsylvania declared in holding for the insurer in Paist vs. Aetna Life. The insured died as a result of a sunstroke while playing golf. The court held that the means were external and violent but they were not accidental. There was nothing unforeseen, unusual or unexpected which occurred in connection with any act of the insured. The only unexpected thing was the injury itself. This is not enough. Also, there is no evidence of a visible contusion or wound upon the exterior of the body.

### Talmage's New Connection

C. O. Talmage, former manager of the Columbia Fire Underwriters of Omaha, and now head of the General States Insurance Corporation of that city, has been appointed superintendent of agencies of the accident and health department of the Fidelity Old Line of Omaha. This is the company of which Lloyd Dort, former Nebraska commissioner, is president.

A general agency agreement has been made between the Fidelity Old Line and the General States Insurance Corporation. Agents may thus write accident and health in the Fidelity Old Line through the General States Corporation.

Mr. Talmage also advises agents that the facilities of an exclusive hail writing

company will be available to the General States Corporation after the first of the year.

### A. L. Clotfelter Resigns

A. L. Clotfelter has resigned as senior vice-president of the Federal Life & Casualty of Detroit. He plans to announce a new connection soon.

Mr. Clotfelter joined the Federal Casualty, predecessor of the Federal Life & Casualty, as general counsel in 1913 and served in that capacity until 1918 when he became senior vice-president. He has served in practically every capacity in the company. He is a graduate of Harvard.

### Parsons General Agent

Fred H. Parsons, who for many years has been general auditor of the Federal Life, has been appointed Chicago general agent of the American Bankers for accident and health, with headquarters in the American Bankers building, 43 East Ohio street. For the last six months prior to his appointment with the American Bankers, Mr. Parsons was connected with M. W. Chittenden & Co. of Cincinnati, working on deferred payment insurance. He will carry this work with him to the American Bankers. In his new general agency he will specialize in the writing of monthly premium accident and health.

### Claim Association Dates Set

The 1932 annual meeting of the International Claim Association is to be held at White Sulphur Springs Sept. 12-14, according to T. F. Hickey, superintendent of claims, Metropolitan Life, who is chairman of the association's executive committee.

## GENERAL AGENCY NEWS

### Welcome New General Agent

Penn Mutual Men Give Dinner to Ray Patterson on His Arrival in Indianapolis

A. Courtright and L. L. Newman of the Penn Mutual at Indianapolis were hosts at a dinner given to welcome Ray Patterson, new general agent there. Mr. Newman resumes his general agency for northern Indiana with headquarters at Fort Wayne.

A number of welcoming speeches were made. Commissioner Kidd spoke of the present standard of insurance representation in Indiana as being good, but said that it was his desire that the standard be made still better and pledged the department to cooperate with company representatives to that end.

Mansur B. Oakes welcomed Mr. Patterson as secretary of the General Agents Association, and Perry Meek, president of the Indianapolis Association of Life Underwriters, spoke for that body.

J. Howard Jeffries, agency secretary of the Penn Mutual, introduced Mr. Patterson. Mr. Jeffries discussed the relationship of life insurance to human needs and the responsibilities that devolve upon its representatives. Mr. Patterson, in responding, expressed his appreciation of the cordial welcome he had been accorded.

Mr. Newman, who has supervised the entire state the past year, expressed his thanks to Indianapolis underwriters for their friendship and cooperation. He expressed regret at leaving Indianapolis but said he would be glad to resume active supervision of the northern Indiana field, where he had represented the company for many years. Mr. Court-

right, for many years Indianapolis general agent of the Penn Mutual and still a personal producer for that company, acted as toastmaster.

### Classon Makes Progress

O. J. Classon, Illinois state manager for the Bankers Reserve Life of Omaha, opened the state for that company Aug. 8. In Chicago he has 30 producing agents and has already opened Joliet with a branch office. His organization paid for \$125,000 the first two weeks of November. The average application since the agency started has been \$3,400. Mr. Classon is an experienced producer who knows how to build an agency.

### Blitz Reestablishes Agency

Max J. Blitz, veteran local and general agent at Fort Wayne, Ind., more recently a member of the firm of Blitz, O'Keeffe & Gallmeyer, has reestablished the M. J. Blitz Agency. Mr. Blitz has been associated with the Lincoln National Life since its inception and has been one of its directors. The entire capital stock of Blitz, O'Keeffe & Gallmeyer has been acquired by D. J. O'Keeffe, E. J. Gallmeyer and W. G. Strausser, who will operate under the name of O'Keeffe & Gallmeyer, Inc.

### Indiana Agency Meets

The annual educational conference of the Indiana agency Equitable Life of New York, was held at Indianapolis, Dec. 11-12, climaxed a two months' campaign and a two weeks' school. Home office men who attended were W. W. Klingman, vice-president; W. M. Rothaermel, superintendent of agencies central department; W. H. Heavey, home office instructor; A. M. Embry, manager Kansas City agency, and Harry

## In Any Emergency

In a normal business lifetime every man meets at least three periods of emergency, variously described as economic convulsions, business depressions, or panics. Whatever the cause, these emergency periods apparently occur once in about eight years, causing the premature economic death of many persons. Depressions come with the appalling certainty of the one great emergency which prudent men have long met through life insurance. Sound business demands that emergencies be met through a fund that is, at once safe, immediately available, and low in cost. Meeting emergencies is but one of the functions which Mutual Benefit policy contracts daily perform.

## The Mutual Benefit Life Insurance Co.

Newark, N. J.

..modern life insurance since 1845..



## Helpful

Writing all standard forms of participating and non-participating insurance contracts. Liberal and profitable contracts offered dependable men who desire success.

S. M. Cross, President

**COLUMBIA LIFE**  
**INSURANCE COMPANY**  
Cincinnati, Ohio

Desirable territory open in Ohio, Indiana and Kentucky.

## General Agency Opening in Chicago with an Eastern Life Insurance Company

**Chicago Agency Has Been  
Established for 23 Years**

Company pays office rent, clerk hire and all incidental expenses.

Home Office Supervisor, temporarily in charge, is seeking a young man who will come into the organization with the idea of becoming General Agent for the Chicago territory within six months or a year, or sooner if it becomes evident that he is capable of handling the job satisfactorily.

All applicants will be carefully scrutinized as to character, business record, financial status. No advances. This is a very superior company and is offering a splendid opportunity to a superior man. Company's lapse rate is one of the lowest in the United States. Premium income on well seasoned business in force in the City of Chicago in excess of \$100,000.00 per year.

No consideration will be given to applicants who do not give full information in replies.

Address in confidence **U-49**, The National Underwriter.



# ANNUITIES?

## THIS BOOKLET PACKS A PUNCH THAT PUTS THE SALE ACROSS!

*Epecially prepared for the exclusive use of  
representatives of the*

# AMERICAN CENTRAL LIFE INSURANCE COMPANY

INDIANAPOLIS

**"Guaranteed  
Benefits"**

**"Guaranteed  
Low Cost"**

HERBERT M. WOOLLEN  
President

T. Wright, million dollar producer of Chicago.

Friday evening Agency Manager and Mrs. H. L. Rogers entertained at a dinner-dance. The goal of the campaign, \$5,000,000 written business in eight weeks, was exceeded. The agency has gained over \$1,500,000 paid business this year.

### Moore & Summers Expand

The Moore & Summers home office general agency of the New England Mutual is taking over practically the entire street and first floors at 97 Milk street, Boston, anticipating the addition of from 15 to 20 new men, who will be given a thorough training course. The new men will be under the supervision of H. P. Cooley, director of sales, and E. F. Parker, of the New England Mutual's agency department.

### Increase of 40 Percent

PITTSBURGH, Dec. 17.—New business written in the Pittsburgh district last month by the western Pennsylvania department of the Reliance broke all November production records. It totaled \$2,198,865, an increase of 41 percent over 1930.

### Woods Doubles Business

PITTSBURGH, Dec. 17.—In November the Edward A. Woods Agency of

the Equitable Life of New York nearly doubled the volume of business written in the same month in 1930. The written business was 1,475 applications for \$7,994,576 against 827 applications for \$4,873,404 in 1930. November paid deposits were \$128,000, which exceeded the deposits of November, 1930, by \$22,000.

### Aetna Life at St. Louis

The St. Louis agency of the Aetna Life is nearing completion of its seven weeks Christmas campaign. During November its paid for business exceeded November, 1930, by 50 percent. New business submitted for the month totaled 102 cases for \$1,005,000. December business is coming along fine. A. P. Shugg, general agent, looks for the largest volume of paid business of any month this year.

### Beats 1930 Record

Claude R. Fooshe, manager of the ordinary department for the Prudential in St. Louis, reports that his agency wrote \$1,014,000 of new business in November, setting a new all-time mark for the agency. Mr. Fooshe said that the paid-for business the first 11 months exceeded the total for 1930.

### Life Agency Notes

P. W. Simpson, Indiana general agent Aetna Life, held a state meeting for 40 of his agents in Indianapolis last week.

## MANAGERS' ASSOCIATION NEWS

### Push Drive for Texas Clubs

**President of State Association of Life Underwriters Names Committees to Organize Managers**

DALLAS, TEX., Dec. 17.—The Texas Association of Life Underwriters is actively pushing its campaign for the organization of managers' clubs in every city in Texas where there are a dozen or more agency managers or general agents.

There are now a few thriving managers' clubs in Texas. Dallas has the largest, oldest and most active. Fort Worth has a younger and a very active organization. Another club was recently organized in Houston with 17 members and one is in process of organization in San Antonio.

#### Committee Chairmen Named

The Texas association wants more of these clubs, President Matthew Brown says, and to get them he has named chairmen of committees on organization in various places, as follows: Amarillo, Floyd Studer; Waco, H. Stricklin, L. B. Shaw and J. K. Moore; Wichita Falls, Fred L. Story; El Paso, A. L. McKnight and R. L. Schuster; Abilene, M. H. Ingram; San Angelo, J. B. Smith; Austin, Louellan Rose; Rio Grande Valley, Frank E. Hadden, H. H. Lueders and J. D. Wren.

These men are being urged by President Brown to call meetings of general agents and agency managers at once and outline plans for the organization, then have another meeting as early as possible, organize and name officers.

The Amarillo Managers Club has been organized with Leland Abbott, president; A. R. Colvin, vice-president, and Floyd Studer, secretary.

### Detroit Managers Meet

DETROIT, Dec. 17.—A series of impromptu talks on agency management problems marked the December meeting of the Life Managers' Association of Detroit. Hugh E. VandeWalker, president Life Underwriters Association of Detroit, acted as chairman. Richard T. Smith, Travelers manager, reporting as chairman of the committee on better business practices, announced that work

with the Detroit Better Business Bureau will get under way shortly.

Owing to the fact that Commissioner Livingston's time is so fully occupied with the receivership of the Republic Auto and other matters. The association has decided to postpone its dinner in the commissioner's honor until after Jan. 1, says President C. D. Macauley, John Hancock Mutual.

### Cummings Dallas President

O. Sam Cummings, Texas state agent for the Kansas City Life and one of the best known insurance men in the southwest, has been elected president of the Life Insurance Managers Club of Dallas. Bob White was named vice-president and Sam Childs was elected secretary-treasurer.

Mr. Cummings discussed the problem of financing agents in the cities as well as in rural districts and told about how his organization goes about the matter. A round-table discussion followed.

### Agency Supervision Discussed

DETROIT, Dec. 17.—Supervisory work in four of Detroit's principal life agencies and branches was discussed in detail at the December meeting of the Detroit Life Insurance Supervisors Association. F. J. Van Stralen, supervisor Massachusetts Mutual; C. C. Chamberlain, assistant manager Travelers; L. E. Malone, agency assistant Sun Life of Canada, and J. H. Kennedy, assistant agency manager Equitable of New York, spoke. Each address was followed by a discussion of the methods outlined, from which the members drew many valuable pointers. A new constitution and by-laws was unanimously adopted.

### San Francisco Managers Meet

The San Francisco General Agents & Managers Association met at luncheon Dec. 16 and decided to affiliate with the Better Business Bureau of that city. Karl L. Brackett, general agent of the John Hancock Mutual Life, was chairman of the committee which has had the matter under consideration for several weeks. Other members were Arthur Holman, Travelers; A. F. Smith, Bankers Life; Otto Langpaap, West Coast; Clarence W. Peterson, Phoenix Mutual, and J. A. Sullivan, Equitable of New York.



## AS SEEN FROM NEW YORK

### CONNECTICUT MUTUAL CONFERENCE

The Connecticut Mutual Life has been conducting an "agency building round table" in New York City for the past few weeks under the chairmanship of Vincent B. Coffin, superintendent of agencies. Home office men and the general agents of New York and vicinity discussed in detail organization problems of recruiting, training and supervision. Attending from the home office were Vincent B. Coffin, F. G. Lyter, George F. B. Smith and E. C. Andersen. The general agents participating were J. M. Fraser, H. F. Gray, Willard Regan, M. L. Lane, all of New York, and C. J. Zimmerman, Newark.

### SUPERVISORS HEAR MACLEAN

J. B. Maclean, associate actuary Mutual Life of New York, addressed the life supervisors of New York on the disability situation. Mr. Maclean predicted that companies in general will eventually be in one of two categories, those offering waiver and those offering waiver and modified disability benefits. He said he thought it would be difficult to write a modified form profitably because of the possibilities of fraud, adverse court decisions and the difficulty of handling claims on a purely business basis.

### HOWELL C. L. U. SPEAKER

Agents will find it to their own interest to give frank and complete information on jumbo lines, even if some of the facts are unfavorable to the issuance of the policy. Valentine Howell, associate actuary of the Prudential, told members of the New York C. L. U. chapter. Home office underwriters know, he said, that the man who produces the business sometimes fails to give as complete a picture of the risk as could be desired, and the agent who gets a reputation for including all facts, even detrimental ones, about his prospects has a much better chance, in the long run, of getting his clients favorably acted on.

Mr. Howell gave a number of pointers useful to agents and brokers in handling big cases.

### WILT DOWN AGENTS

The next life agent who tries to sell any of a certain group of young engineers at the American Telephone & Telegraph office at 195 Broadway had better know all about the net cost situation among the various companies. One of the group stopped in at the New York office of THE NATIONAL UNDERWRITER and bought a copy of the Little Gem life chart. They are all interested in the subject of life insurance but being mathematically minded they enjoy figuring pretty closely. They have had so many calls from life agents that they know a good many questions to ask, and the agent who doesn't know his line is liable to wilt down under a barrage of technical queries.

### DRIVE FOR CHRISTMAS POLICIES

Frank W. Austin, branch manager of the C. B. Knight agency of the Union Central Life, in New York, is making a special drive among brokers for Christmas life insurance policies. Such policies are arranged on a settlement option so that the annual proceeds are payable Dec. 24 of each year, usually with a provision for paying the face of the policy when the beneficiary reaches a certain age.

### "UNORTHODOX" PLAN SUCCEEDS

R. C. Ellis, New York City general agent of the Home Life of New York, is having the satisfaction of seeing his "unorthodox" agency-building methods attain a very pleasing degree of success—the more so as it is being done at a minimum outlay. In recruiting new

agents he takes only those already in full-time jobs in other lines. These men do their insurance selling in their evening hours. As Mr. Ellis goes with these men to close cases it means a good deal of night work for him. He doesn't mind it, however. He always insists on agents accepting the full commission in such cases, even though it sometimes takes an argument to get them to take the entire amount. Even after a new man attains a degree of success that makes him want to quit his salaried job and sell life insurance on a full time basis, Mr. Ellis doesn't encourage him to take such a step and usually insists on his keeping his present full-time position, at least until general business conditions improve.

### WORKING WITH THE MEN

"Go out with the agents on cases even where you know there isn't a chance," advises a general agent who usually goes out with his men himself instead of delegating this work to supervisors.

"I find that I can learn more from new men who are doing things wrong than I can in any other way. They are making the same mistakes that we all make, but they make them so crudely that we can't help but recognize them. When I see a man doing the wrong thing I realize that I do it myself, not to such an extent, of course, but maybe it is just as effective in killing a sale."

### VISITING POLICYHOLDERS

If the obligation to visit each of his policyholders at least twice a year were made an integral part of each agent's contract it would go a long way toward reducing the conservation problem, in the opinion of J. E. O'Neill, assistant manager of the Garrison New York City agency of the Prudential.

"Most people don't know what they can do to save their insurance," Mr. O'Neill said. "Few laymen know what they are entitled to in the way of paid-up insurance, extended insurance, or changing the mode of payment. Brokers and agents are often too anxious to make the sale. If the prospect asks no questions they fear to bring up complications that may spoil the sale."

"I would like to have it provided that each agent must see every one of his policyholders at least twice a year or else the policyholder's name would be given to someone who would see him. The agent should 'audit' the policies, see if there are any new insurance requirements. Even if the agent has had a disagreement with a policyholder the man is still entitled to the company's service and should receive it."

### ROTHSTEIN'S FINE WORK

Leonard Rothstein, a new star in the firmament of big producers, led the recent eight-week "Rainbow" contest of the Home Life although he did not get into the life insurance business until a week after the contest opened. In the remaining seven weeks, however, he wrote more than \$500,000 of new business and paid for more than \$250,000. He has already qualified for the 1932 "President's Club."

Mr. Rothstein is vice-president of the Harry Jacoby Agency in New York City. He was formerly vice-president of two New York banks and is widely known in banking and mercantile circles.

B. P. Gale, runner-up in the contest, while not so recent an arrival in the business as Mr. Rothstein, is a comparative newcomer, having just completed his second year in life insurance. He is the leader countrywide for the year to date. He is connected with the Cleveland agency.

Third, fourth and fifth places in the "Rainbow" contest were won by H. A. Carr of Detroit, J. C. Ricker, Washington, D. C., and C. E. Hill, Brooklyn.

## Organized Operating

The Guardian Fieldman is equipped with organized visual presentations of proved selling power to satisfy the demands of today's life insurance estate builders.

The \$1-a-Week Plan, the Family Income Presentation, the Estate Digest, and the Special Income Annuity Presentation are only a few features of the tangible cooperation between the Guardian Home Office and the Field.

**THE GUARDIAN LIFE**  
ESTABLISHED 1860  
**INSURANCE COMPANY of AMERICA**  
50 UNION SQUARE • NEW YORK CITY



**TODAY**

would be a wonderful time to construct a future program to begin with the rising of tomorrow's sun.

Within a few weeks the holidays will have passed, and we will enter upon an entirely new year—1932. Do you wish the new year to have as little or more success than the old? Do you want to look back one year from now, the same as you are doing at this time, and wonder whether or not you are entirely satisfied with your year's work?

If you are one who would be interested in constructing a program with a future, it will pay you to be friendly with

**PEOPLES LIFE INSURANCE CO.**

"The Friendly Company"

**FRANKFORT**

**INDIANA**

## Dominant in the West

**A** COMPANY in an expanding mood, with a splendid background of achievement, and the largest Guaranteed Cost company west of the Missouri River. It keeps a step ahead in extending modernized life insurance service. Family Income, Retirement Annuity, Business Protection and Juvenile contracts, in addition to all standard forms. Non-medical written.

Liberal contracts and that better Home Office service for agents.

Insurance in Force Over \$265,000,000  
Admitted Assets Over \$43,000,000

### California-Western States Life Insurance Company

J. ROY KRUSE, President

HOME OFFICE:

SACRAMENTO

## Connū topics

(Topics of The Connecticut Mutual)

VOL. VI

December, 1931

No. 12

### Happy Relationships

Long periods of service are not unusual among members of the field force and Home Office staff of this company. These periods, recognized by the periodic awards of Service Medallions, range from ten to over fifty years. . . . Refreshing evidence that Connecticut Mutual men are happy in their chosen career and company relationship.

### THE CONNECTICUT MUTUAL LIFE INSURANCE COMPANY

HARTFORD

1846

85 Years of Public Service

1931

Insurance Audits  Budgetary Control

**Scovell, Wellington and Company**

ACCOUNTANTS—ENGINEERS  
10 East 40th Street, New York

Boston Springfield Philadelphia  
Syracuse Cleveland  
Chicago Kansas City San Francisco

### RECENT LETTERS

The President of a large Company says:  
"It will revolutionize Life Insurance Selling."  
A Superintendent of Agencies says:  
"Greatest Selling Idea in a Decade."  
An Underwriter says:  
"It has doubled my income."

### LIFE INSURANCE AS A PROPERTY INVESTMENT

Found only in "The Essentials of Life Underwriting" by Abner Thorp, Jr.

The Diamond Life Bulletins  
430 E. 4th St., Cincinnati, O.

## AS SEEN FROM CHICAGO

### SWANSON'S GROWTH LARGE

The general agency of H. G. Swanson of the New England Mutual in Chicago held a contest in November, which had been designated "Hastings month" by the office in honor of Glover S. Hastings, superintendent of agencies. There were 61 written applications for \$477,000. Mr. Swanson has had fine experience since he opened this agency March 1, paying for a large proportion of written business and showing a uniform and unusually rapid growth.

### HAS LARGE PAID INCREASE

Chicago agencies of the Equitable Life of New York hung up a fine record for paid business in November with an increase of \$1,250,000 over November, 1930, or nearly 30 percent more. There were 1,095 more applications in the month than the same month last year. This was largely the result of a football drive in which various agencies among which there was keen rivalry were paired.

### WARNS AGAINST AGENT

Thomas O'Malley, west side Chicago manager for the Indianapolis Life, warns against a man using the name of Glen Huffman. This man was taken into the

O'Malley agency. He represented himself as having worked for some time for the Masonic Protective of Denver. He wrote several applications and brought in checks on a bank in Elmira, N. Y. He collected his commission, departed and the checks bounced. He is described by Mr. O'Malley as being about 5 feet 6 inches tall and about 30 years of age.

### FRAZIER RETIRES FROM FIRM

James R. Frazier is retiring as a partner in Frazier & Powers of Chicago, estate analysts and advisers. The office will be continued as H. T. Powers & Co. Mr. Frazier was formerly vice-president and trust officer of the Straus National Bank. The office was started about a year ago as Frazier, Powers & Moulton.

### REPORT ON ILLINOIS SALES

Illinois life sales gained \$6,934,000 in October over September, the state chamber of commerce reports, total being \$53,248,000, but decreased \$5,982,000 from October, 1930, figures, a 10 percent decline. This compared with 12 percent national drop in October. The ten months' total is \$580,782,000, against \$687,639,000 for the same period in 1930.

## NEWS ABOUT LIFE POLICIES

New Policies, Premium Rates, Dividends, Surrender Values, and all Changes in Policy Literature, Rate Books, etc. Supplementing the "Unique Manual-Digest" and "Little Gem," Published Annually in May and March respectively. PRICE, \$5.00 and \$2.00 respectively.

### Unusual Retirement Plan

Penn Mutual Permits Variable Payments on Income Form as Circumstances Permit

The Penn Mutual has brought out a new retirement income policy which is the regular "optional deferred income" with the unusual privilege of making variable deposits as circumstances permit. The minimum initial deposit is \$500, minimum additional deposit \$100 and maximum or total deposit \$100,000. There is no medical examination, no disability provision nor does the contract contain a provision to exchange for a life or endowment policy.

The form is presented as particularly fitted to persons who perhaps must start on a modest retirement income program, but later can expand it. Under this form it is possible to start a plan to begin, say at age 60 with any ready money available, and in succeeding years to pay whatever amount can be spared to buy additional income, also beginning at age 60, in such amount as the premium payment will purchase. It is pointed out that each succeeding year's investment will produce a trifle less income for a given sum because of the increased age.

### Only One Contract

Another advantage is that instead of buying an optional deferred policy this year, another one next year and so on, the buying is all done under the single contract. From the standpoint of the agent the complete plan on a modest basis is sold at the outset and considerable sales resistance is removed by reason of the fact that no subsequent sale is necessary to increase the plan.

For illustration the Penn Mutual takes the case of a man of 40, who invests \$1,000 in the plan this year, \$500 next year, \$2,000 the third year, skips the fourth year and in the fifth year deposits \$1,500, the income to begin at 60. In actual practice each contract is handled separately. In this case the total income at 60 would be \$57.73.

There is a death benefit to beneficiary if the owner of the policy dies before his retirement income begins, and also a death benefit for beneficiary if the owner dies after the income has started but before he has received the equivalent of the cash value at 60.

### Contract Contains Values

There also are cash surrender and loan values available up until the time the income starts, and also an annual dividend which may be taken in cash or left to accumulate at compound interest; and withdrawn at any time before the income begins or added to the death benefit if death occurs before that time. At the retirement age the accumulated dividends may be withdrawn or used to increase monthly income.

### Latest Dividend Data

The Aetna Life will continue its present dividend scale in 1932. The George Washington Life has decreased its dividends 25 percent. Three Canadian companies have announced decreases: Confederation Life, Mutual Life of Canada and the National Life of Canada, the latter making an 18 percent reduction.

### Business Men's Assurance

The Business Men's Assurance announces that applicants between the ages of 10 and 18 may now be submitted on the non-medical plan in the same manner and under the same conditions as those between ages 18 and 45.

### Wins Award Five Times

The J. A. Sullivan agency of the Equitable Life of New York at San Francisco has won this year for the fifth time the Western Managers' Association plaque. It now comes into permanent possession of the Sullivan agency.

H. P. Kane, adjuster, was elected president of the Jackson (Miss.) Country Club and Dr. J. O. Segura, vice-president Lamar Life, was elected to the board of governors.



## NEWS OF LIFE ASSOCIATIONS

### Los Angeles Meeting Held

Number of Features Rendered the December Gathering an Interesting One to Members

With an attendance of approximately 500 the Los Angeles Life Underwriters Association held its December and third educational meeting. Dr. J. G. Clutterbuck, sales engineer of Cleveland, delivered his lecture on "Why we do not sell more life insurance." His remarks dealt mainly with the mental attitude of the salesman as the important factor responsible for his failure or success.

President R. A. Brown gave a short review of association activities and then introduced E. J. L'Esperance, manager of the Imperial Life of Canada agency, chairman of the membership committee. It is reported that the drive for new members is going over with a bang, the total now being considerably over 400 and with every indication that the mark of 500 will be reached before Dec. 31.

Kellogg Van Winkle, agency manager of the Equitable of New York, chairman of the educational committee, introduced Floyd Forker, agency analyst of the home office agency of the Pacific Mutual Life, who gave a talk on the pre-approach which featured the favorable influence of proper selection and cultivation of prospects prior to the interview.

This was followed by the introduction of W. G. Gastil, assistant manager of the home office agency of the Pacific Mutual, who gave an address on "The Use of the Approach and its Place in the Sale." The keynote of his discussion was the importance of building the approach on "YOU" and "YOUR," in the creation of interest, eliminating reference to "I" as a factor of no appeal to the prospect.

\* \* \*

### Voorhees' Ten Acid Tests

Head Counsel of Connecticut General Gives Method of Analyzing Sales Talks at Syracuse Meeting

Many uses of income settlements, the pure investment aspect of life insurance, business and tax life insurance were discussed by C. E. Voorhees, chief counsel of the Connecticut General, at the December meeting of the Syracuse association. He gave an inspiring address on life underwriting as the profession of underwriting or insuring life values. President W. L. Boyce presided.

Mr. Voorhees suggested ten acid tests which might be applied profitably to each individual's sales presentation: Does it get an audience? does it obtain the prospect's interest? does it inspire his confidence? does it culminate in a sale? does it create a real clientele? does it give access to a desirable class? does it keep your business in force? does it augment your constant growth and development as a life underwriter? does every sale made through it increase your respect and veneration for your profession? does it elevate your profession in the minds of your clientele and prospective clientele?

\* \* \*

Dallas, Tex.—The Dallas association more than doubled its membership the last year, it was announced at the annual meeting. R. M. White was named president; Ross Priddy, J. C. McClure and Ray Lawther, vice-presidents; Miss Hazel Roberts, secretary-treasurer. It was announced that the membership increased from 75 to 195.

It was announced that 55 underwriters are enrolled for the school held each Monday evening. E. G. Brown is instructor in life insurance selling and O. Sam Cummings in economics of life insurance.

### O'Keefe Heads Detroit Body

Past Presidents Honored at Annual Meeting—Eighty-eight Year Old Veteran Present

DETROIT, Dec. 17.—Thomas F. O'Keefe, sales manager Johnston & Clark Mutual Benefit Life general agency, was elected president of the Life Underwriters' Association of Detroit at its annual meeting last week. Mr. O'Keefe was first vice-president last year, and prior to that had served two terms as treasurer. He succeeds Hugh E. VandeWalker, Michigan supervisor American Life.

F. Jean Little, Massachusetts Mutual, was elected first vice-president; Francis E. McMahon, Aetna, second vice-president; W. F. Jenkins, Massachusetts Mutual, secretary, and A. G. Work, Northwestern Mutual, was reelected treasurer.

The new executive committee will be headed by Hugh E. VandeWalker, retiring president, and will include H. A. Carr, Home Life of New York; Ervin C. Seed, Mutual Life of New York; William H. McCoy, New England Mutual, and Glenn M. Reem, State Mutual.

#### Past Presidents Honored

The meeting was designated as past president's day and Milton L. Woodward, Northwestern Mutual, was in charge. Dr. M. S. Rice talked on "A Dog's Work."

The guest of honor was William T. Gage, retired general agent Northwestern Mutual and still a licensed agent at 88 years of age. Mr. Gage was vice-president of the association during its first year in 1886 when it had 20 members, and was president five years later.

Mr. Woodward introduced other past presidents: William Van Sickle, retired general agent Home Life; Donald A. Johnston, Columbian National; Melville H. Zacharias, Equitable of Iowa; Ernest Owen, Sun Life; Robert M. Ryan, Equitable of New York; John G. Morey, Guardian Life; Nathaniel Reese, Provident Mutual; J. Fred Lawton, Connecticut Mutual; Thatcher W. Root, Mutual Benefit, and Mr. VandeWalker.

\* \* \*

### Michigan Association Meets

H. M. Comins, Flint, Elected President—Huebner Stresses Possibilities for Annuity Sales

LANSING, MICH., Dec. 17.—Annuity insurance will be developed more extensively than any other line the next 10 years, Dr. S. S. Huebner, University of Pennsylvania, told the Michigan State Association of Life Underwriters at its annual convention here.

Dr. Huebner sketched some of the possibilities of annuities at the afternoon session. At the luncheon meeting he emphasized insurance possibilities as an emergency safeguard, predicting that employers, especially those having a limited number in their employ, will work out systems in cooperation with their employees whereby the latter will be fully protected, not only from unemployment, but from other emergencies.

Glenn S. Kies reported on progress of the so-called "Michigan plan" for educating the public to the utility of life insurance through the schools and through material circulated by government agencies. Mr. Kies, who prepared a tentative draft of a proposed textbook on life insurance, entitled "Your Financial Reserves," said the scope of this text will probably now be enlarged to include other "financial reserves" than insurance, such as bank savings and loan savings, real estate and security investments.

New officers chosen by the association.

## Girard Life Insurance Company

Opposite Independence Hall  
Philadelphia, Pennsylvania

*Has excellent General Agency openings in Ohio and Michigan under—*

### A General Agency Contract Which Means

Larger first year commissions  
Longer renewals  
Larger overwriting commissions  
All standard forms of policies (Participating and Non-Participating)  
Liberal disability benefits  
Double Indemnity benefit  
Guaranteed annual reduction in the premium  
Also cash dividends  
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Real Home Office Service

Twenty-three years of careful and conservative management has made the Girard Life one of the financial giants (assets over liabilities) in the life insurance field, with the distinction of having the highest possible rating—EXCELLENT. We seek General Agents of high character and ability, who are willing to devote their entire effort to organization and development of a General Agency.

Write us giving a word picture of yourself and your experiences. Your correspondence will be treated as confidential.

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Be the outstanding  
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OUR SERVICE  
WILL HELP YOU

## MASSACHUSETTS MUTUAL LIFE INSURANCE COMPANY

SPRINGFIELD, MASSACHUSETTS

Organized 1851

*More Than Two Billion Dollars of Insurance in Force*

# Visual Selling —a reality

Through visual selling Bank Savings Life agents have been able to tell the true story of life insurance — and to tell it convincingly. Impressions through the eye outlive the spoken word. Such salesmanship becomes a well-ordered scientific process.

PROVED IN THE FIELD  
BY

## Bank Savings Agents

The volume of insurance produced by our agents month in and month out demonstrates the soundness and desirability of "Visual Selling." Why not ask for more complete information about The Bank Savings Life methods and agency helps.

## TOOLS to help you SELL

- 1 Pre-Approach Plan
- 2 Canvassing Portfolio
- 3 Illustrated Brief

Write to

**GEO. L. GROGAN**  
Vice-President  
In Charge of Agencies

**The Bank Savings  
Life Insurance  
Company**

Topeka

Kansas

tion are: Harry M. Comins, Flint, president; J. Arthur Pino, Lansing, first vice-president; P. J. Crandall, Jackson, second vice-president; Lee N. Gillette, Detroit, secretary-treasurer.

**Orange County, Cal.**—The Orange county association of Santa Ana, Cal., held a joint dinner-meeting with the Associated Chambers of Commerce of Orange county. Guy Gilbert, chairman of the life insurance bureau of the chamber of commerce, presided. The speaker was Aubrey Davis of the Los Angeles agency of the Provident Mutual Life, who gave a talk on "Investment Phases of Life Insurance," in which he discussed the advantages of life insurance over other forms of investment, citing its security as compared with that of other kinds of property, together with the attractive returns it has to offer the investor, backed by the diversified securities held by life insurance companies. The Orange county association, of which R. R. Hays, Jr., of the Mutual Life of New York agency, is president, is a branch of the Los Angeles association.

**Little Rock**—George Brannan, agent of New York Life, is advanced from vice-president to president of the Little Rock association. He succeeds V. L. Thompson, who has removed to Lincoln, Neb. R. M. Williams, general agent John Hancock Mutual, was elected vice-president, and Ora Massey, agent of Missouri State Life, was reelected secretary and treasurer. The committee on membership is: J. V. McLaughlin, Sun Life; J. E. Rutherford, Mutual Life; C. E. Lowry, president of the National Equity Life, addressed the association on the subject, "Why a Young Company?"

**Chicago**—John Morrell, "multi-millionaire" of the Equitable Life of New York here, in the Sam Lustgarten agency, who since he entered life insurance five years ago has paid for more than \$10,000,000, addressed the Chicago association Dec. 17, developing some points of his nationally known address, "Hedging on Life's Uncertainties." The programs have been well selected this year and attendance at the monthly luncheons has considerably increased, reaching the high point of over 1,100 recently when Clay Hamlin spoke.

**Montgomery, Ala.**—At its monthly meeting at the Whitley Hotel, the Montgomery association decided to invite Mrs. W. S. Pritchard, director of the department of the American family of the National association, to speak here in February or March on her tour of southern cities.

E. J. Meyer, Massachusetts Mutual, discussed the stability and solvency of life insurance and offered arguments to be presented to prospects. He declared government bonds are the only investment as safe as life insurance.

**Indianapolis**—The second sales congress of the Indianapolis association was held last Friday. The speakers were Barney Pearson, Wichita, Kan., on "Money Control"; Russell Moore, agency supervisor Midland Mutual Life, "Mental Attitude"; and H. T. Wright, Equitable Life of New York, Chicago. It is the plan to hold several more of these sales schools in addition to the regular monthly meetings.

**Seattle**—The Seattle association will stage its annual sales congress during thrift week in January. The program will be headed by H. S. Bell, general agent Equitable of Iowa; Austin Thayer, Prudential; Paul R. Green, general agent Aetna Life, and J. P. Mulder, Mutual Life of New York.

**St. Louis**—Holgar J. Johnson, Pittsburgh general agent for the Penn Mutual Life, was scheduled as the speaker at the meeting of the St. Louis association, Dec. 17, on "What Makes a Sale?"

**Mississippi**—T. M. Riehle, third vice-president of the National association and associate agency manager of the Equitable Life of New York in New York City, was the speaker Dec. 16 before the Mississippi association in Jackson.

**Richmond, Va.**—T. M. Riehle, associate manager in New York City for the Equitable Life, and vice-president of the National association, who has been on a speaking tour through the south, was the guest speaking at the December luncheon-meeting of the Richmond association, declaring that the man with courage and willing to work is the one that is going to succeed. This, he said,

is fully 85 percent of the battle.

"Cardinal Principles" was his subject. Four new members were taken in, running the total enrollment to 201, the largest in the association's history. N. D. Sills, chairman of a special committee named to canvass the membership with a view of interesting underwriters in the C. L. U. course, announced that seven members had agreed to take the full course for the C. L. U. degree next June, and three others will take part of the course.

**Southwest Texas**—At the Southwest Texas association's meeting in San Antonio, the association decided to run an advertisement carrying the name of the association for 17 consecutive weeks in an afternoon paper. The advertisements will begin the first week in January.

It was announced that R. B. Hull will be in San Antonio Jan. 25 and speak on "The Road Back to Security."

Porter Whaley, general manager chamber of commerce, made a brief talk on "Carrying Good News." He said life insurance men carry good news, especially in the time of loss, and that insurance selling develops unselfishness. Each man he stated has two businesses—one personal and the other community. He portrayed the insurance man as a rejuvenator of the individual and the community.

Dr. H. Bascom Watts spoke on "The Mountain of Joy," he referring to the underwriter as a man who is constantly adding to the "mountain of joy."

**Montreal**—At the annual meeting of the Montreal association, the following officers were elected: President, B. W. Woodburn, Imperial Life; first vice-president, G. H. Beaudry, La Sauvegarde; second vice-president, R. B. Howe, Imperial; treasurer, A. D. Foster, Sun Life. Oscar Ducharme, retiring president, announced that arrangements had been made with the Montreal board of trade for including in its commercial classes a three-year course leading to the C. L. U. degree.

**San Francisco**—A big community banquet under the slogan, "Forward San Francisco," is the main event for thrift week in San Francisco, according to announcement by Ben F. Shapiro, president of the San Francisco association. The affair will be staged Jan. 21, Life Insurance Day, and will be a combination of the annual dinner given in honor of the several companies' leading producers and the regular thrift week events. This year the dinner will be open to the leading salesmen of all types and kinds of business activity in San Francisco.

**East Bay**—"The Social Consequences of the British Unemployment Insurance System" was the principal topic of discussion at the Dec. 17 meeting of the East Bay association at Oakland, Cal. Prof. Hugh McD. Clotie, of the department of political science of Stanford University was the speaker, with N. F. Clendenen, manager of the Travelers, as chairman of the day.

No meeting was held by the association in November, but the price that would have been paid for the luncheon was donated by each member to furnish Christmas dinners to 25 needy families in the East Bay district.

**Nashville, Tenn.**—A. Walton Litz, Great Southern Life, was elected president of the Nashville association at its annual meeting. Other officers are: First vice-president, Calvin Baker, Jefferson Standard; second vice-president, B. B. Horner, Sun Life; secretary-treasurer, Miss Nellie Roche, Massachusetts Mutual; executive committee, Rogan Morrison, Equitable of Iowa; V. J. Harpur, Equitable of New York; Guilford Dudley, Life & Casualty; J. C. Holloway, Travelers; James Tupper, Massachusetts Mutual.

**Louisiana**—T. M. Riehle, associate manager of the Equitable Life of New York in New York City, third vice-president of the National association and retiring chairman of the Million Dollar Round Table, addressed the Louisiana association at New Orleans on "Direct Action."

**Waterloo, Ia.**—The one day sales congress arranged by the Waterloo association was an outstanding success. Despite bad weather, a big attendance was registered. L. O. Schriver, secretary of the National association and Peoria general agent for the Aetna Life, was the banquet speaker. The day's speak-

## ACTUARIES

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ers included Earl Smith, educational director Equitable of Iowa; Commissioner E. W. Clark; Julius Gilbert, agency organizer Mutual Life of New York; F. J. Patten, Equitable Life of New York, and Prof. R. O. Skar of Iowa State Teachers College, Cedar Falls.

**Colorado**—In planning the annual sales congress of the Colorado association, to be held Feb. 19, helpfulness to the individual agent will be kept uppermost, according to Isadore Samuels, chairman for program and arrangements. Practical sales demonstrations will be featured. On the program will appear a million-dollar producer from a strictly rural section—a man living in a town of less than 1,000 population. There will be speakers of national reputation, including economic wizards. R. B. Hull of the National association will be present.

**New Haven, Conn.**—Dr. W. B. Bailey, economist of the Travelers, addressed the New Haven association on "What Does the Future Hold for the Life Insurance Agent?"

**Ottawa, Ont.**—Hugh F. Murray, manager of the North American Life, has been elected president of the Ottawa association, succeeding P. F. Howe, who is made honorary president. The new vice-presidents are D. W. Morphy and J. A. Beausejour; secretary, H. A. Wetmore. The executive committee consists of W. H. Gairdner, J. D. Murray, N. A. Haugh and J. M. Roney. Mr. Wetmore reported an increase of 40 percent in membership during the past year. Mr. Haugh urged members to study for the C. L. U. designation and predicted that within a few years Ottawa will have 80 or 90 chartered life underwriters.

**York, Neb.**—Annual election of officers of York association resulted as follows: President, Benton Perry; vice-president, Conrad Jacobson; secretary, A. J. Akof; treasurer, Mrs. Clyde Little.

**District of Columbia**—With the opening of Congress President David S. Bethune of the District of Columbia association is renewing his demands for congressional legislation raising the requirements for life insurance agents in the District of Columbia. Mr. Bethune believes such a move to be in the interest of both the public and the life insurance profession. President Bethune has requested J. A. Marr, chairman of the legislative committee, and E. S. Bra-shers to make a careful study of the laws in force in many of the states, with a view to using their best points in a law to be drafted for the district. Mr. Bethune has explained that there is no intention to make the requirements unduly difficult or unreasonable.

**Oklahoma City**—Joe Maryman, for 13 consecutive years a million dollar producer for the Aetna Life at Little Rock, Ark., was key speaker at the December meeting of the Oklahoma association.

Three nationally known speakers—R. B. Hull, managing director National association; Abner Thorp, Jr., editor "Diamond Life Bulletins," and John W. Yates, Massachusetts Mutual general agent at Detroit—have been announced for the sales congress of the Oklahoma association, Jan. 23.

Among the immediate plans of the association is a contest to be conducted in cooperation with the Oklahoma Federation of Women's Clubs. Prizes have been offered by the underwriters for the best essays on how life insurance can be used to reduce the number of dependent children in Oklahoma.

**Birmingham, Ala.**—Mental attitude is more important than mental capacity in selling life insurance, declared T. M. Riehle, third vice-president National association, addressing the local association Monday. Willingness to work and courage are about 85 percent of the battle and an agent equipped with these two qualities will bring in more applications than any "curbstone actuary," he stated.

Too little attention is given, in Mr. Riehle's opinion, to the matter of prospecting. As chairman of the program committee for the next national convention at San Francisco he proposes to see that a major portion of the discussion bears on this subject.

He feels agents are missing a good bet in not working women more, since they own 40 percent of the wealth and only 10 percent of the insurance.

**Oregon**—At the December meeting of the Oregon association in Portland, J. S. Williams, assistant superintendent of

agencies Oregon Mutual Life, spoke on "Tact and Tactics in Life Underwriting." Prior to coming to Portland Mr. Williams was secretary-manager of the Cleveland association.

**Northern New Jersey**—R. G. Englesman, general agent in New York City for the Penn Mutual Life, held an open forum at the luncheon-meeting of the Northern New Jersey association in Newark. A number of questions of interest were asked and answered by Mr. Englesman. There will be no meeting of the association in January. Vice-President Frank L. Jones of the Equitable Life will be the speaker at the March meeting.

**Atlanta**—The largest attendance in the history of the Atlanta association was recorded when T. M. Riehle, third vice-president of the National association and associate manager of the Equitable Life in New York, spoke on "Cardinal Principles of Selling." H. T. Bray, president of the local association and general agent in Atlanta for the Equitable, was toastmaster at a banquet given in honor of Mr. Riehle.

**Columbus, O.**—The H. A. Chipman agency of the Equitable Life of New York will have charge of the December meeting of the Columbus association Friday night. T. M. Riehle of New York, third vice-president of the National association, will speak.

**Fort Wayne, Ind.**—Elbert Storer of Indianapolis, president of the National Association of Life Underwriters, will address the Fort Wayne association this week. Mr. Storer is scheduled to address the Rotary Club at Lafayette, Ind., Dec. 29.

## Shropshire Case Creates Concern

(CONTINUED FROM PAGE 4)

terest in the case was said to be based upon contracts similar to those used by the farm credit company being used by life companies in loans made on farms and other real property in Texas. Practically all these contracts are said to provide for the entire series of notes to fall due in default of any payment. The same applies, it is said, to contracts of other investors in mortgage loans in Texas.

At the time the case was appealed to the Texas supreme court it was said if the Shropshires won out finally it would result in jeopardizing a large number of loans in Texas made on a similar basis and that it would necessitate the life companies devising another form of contract for loans on real estate.

### Would Create Injustice

It was said then that if the Shropshires were winners in the case when it went to the United States Supreme Court any person having a loan made on similar conditions will have nothing to do but bring suit against the lending company to recover all he had paid and the penalties under the usury laws of the state.

It is understood in life insurance circles in Texas that an effort will be made to bring the case to the United States Supreme Court via another route. What that plan will be is not stated.

The life companies making loans on real estate in Texas—and there are multiplied millions so invested—are not charging usurious rates of interest. Their contracts, however, generally provide for all notes falling due in case of the default of the payment of any principal note or any interest note. And that is the one thing the supreme court of Texas declared voided the contracts and made the loan rates usurious.

### Ohio National's New Directors

The Ohio National Life at its board meeting this week added two well-known citizens of Cincinnati to its directorate, former Mayor George Puchta, president of the Queen City Supply Co., and J. B. Doan, president of the American Tool Works Co. They succeed H. W. Kingery, former president American Old Line Life of Chicago, and C. B. Miniger of Toledo.



(Provident Tools No. 12)

## PROVIDENT NOTES

No list of Provident tools would be complete without mention of "Provident Notes", the monthly magazine for Provident Representatives. It is full of meaty facts and helpful suggestions for those who are making Provident Mutual a household word throughout the country.

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Life Insurance Company of Philadelphia

Founded 1865

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INSURANCE COMPANY  
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Desirable Territory Open for General Agencies.  
Liberal Contracts.

**THE CAPITOL LIFE**  
Insurance Company  
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## Convention Report On Security Out

(CONTINUED FROM PAGE 2)

In this connection, information from the examination of the Inter-Southern was included. That examination stated that the Inter-Southern would not have reasonable capital and surplus unless its Missouri State Life stock could be sold for \$60. The statement of the Inter-Southern examiners that the company was impaired to the extent of \$800,000 was included. All of the appraisals, according to the Inter-Southern examination report, submitted by the Inter-Southern for Missouri State Life stock were "absurdly high." One appraisal, according to the report, fixed estimated interest earnings in the future at 4.7 percent, although the 1928 figure was 4.37 percent; the 1929, 4.14 and 1930, 4.15 percent.

### Liquidity Is Analyzed

In connection with the Northern States, the examination report said that \$415,888 in bonds and \$73,180 cash were the only liquid assets out of total ledger assets of \$7,892,829. The Northern States, according to the examination, had not been able to meet cash demands except after an average waiting period of 30 days. The net cost to the Keystone holding company of the Northern States was the equivalent of \$32 per \$1,000 of insurance in force.

The examiners objected to an item of \$100,000 of Northern States' earnings, alleging that this resulted from an excess of assets over liabilities in taking over the Crescent Life. The Northern States, according to the report, had agreed to pay \$30,000 a year as 5 percent interest to the Crescent Life's stockholders for each year, beginning in 1931, but only one year's payment was entered as liability.

### Loan to W. E. Meyn

A collateral loan of \$110,000 to W. E. Meyn, formerly a director of the Security, who was identified with the now defunct First Trust & Savings Bank of Hammond, Ind., was rejected as an asset. The loan was secured by 700 shares of First Trust & Savings.

Bonds of the Consolidated Textile, which were in default, and of the Chicago & Eastern Illinois railroad, were excluded. The examiners refused to allow one-third of the liability of \$439,518 incurred through the payment agreement by which the Security took over the Reinsurance Life of Chicago.

The \$250,000 commission promised Raymond T. Smith, vice-president and western manager of the Alfred M. Best

Company as intermediary in the sale of the Inter-Southern to the Keystone holding company was taken up. The Security, according to the report, had paid only \$50,000 to Smith before Dec. 31, 1930, and another \$40,000 before the examination. The remainder was set up as contingent liability and \$90,000 was sheared from the ledger liability by an arbitrary book entry. The contract with Smith to pay the balance due on a basis of 5 percent of renewal premiums a month, was construed as a contingent liability by the Security but not by the examiners.

A loan of \$200,000 from the Security

to Darby Day and J. B. McCutchan, who did some fast promoting of casualty insurance organizations and blew up, was mentioned. Notice was also taken of collateral loans of \$223,422 to Edwin Hult & Co., which the examination report said is apparently closely identified with the Keystone holding company, is cited. Mention is made of the purchase of \$250,000 of Waukegan, Ill., lake front property from Edwin Hult & Co. Borrowing of \$95,000 to reimburse stockholders of the Reinsurance Life and to pay 6 percent cash dividend to the stockholders of the Security Life were brought out.

## MORE COMPANIES ACT ON DISABILITY CLAUSE

(CONTINUED FROM PAGE 2)

clause operates to age 55 instead of 60 as heretofore. On double indemnity the Bankers of Nebraska already has increased rates to \$2.50 per \$1,000, the benefit covering to age 55 instead of 60 as heretofore.

The Commonwealth Life has discontinued disability income but retains waiver at the same rate.

The Great West Life of Canada has reduced the limits of disability and double indemnity to \$5,000 from \$25,000. The Life of Virginia has discontinued monthly income but for the present retains premium waiver without change in rates or provisions.

### Massachusetts Protective

The Massachusetts Protective has extended the maximum limit for waiver of premium from \$20,000 to \$25,000, the same new limit applying to double indemnity.

The Rockford Life is discontinuing disability income but retaining waiver.

The Standard Life of Pittsburgh has discontinued disability income but makes no changes in rates or provisions for waiver.

The Sun Life of Baltimore is discontinuing income disability on and after Jan. 1, but will continue waiver without extra charge but with some other changes. The new waiver clause will be issued in connection with standard policies on male lives, except on term insurance, at issues ages 16-50, providing protection only to age 55. A six months waiver clause is inserted.

The Western & Southern has reduced the maximum amount of insurance with income disability to \$5,000 from \$20,000.

The Aetna Life's new waiver benefit, effective Jan. 1, will carry a six months waiting period. The form for men will cover up to age 60 and for women to 55. Maximum limits will be \$150,000 for

men and \$25,000 for women. Recently the Aetna changed its double indemnity clause, reducing the limits from \$50,000 to \$25,000 and excluding death resulting from taking poison or inhaling gas.

### Provident Life of North Dakota

The Provident Life of Bismarck, N. D., has decided to discontinue writing disability income clause on and after Dec. 31. Secretary F. L. Conklin states to the agency force that any lesser action, such as reducing the income to \$5 per \$1,000 of insurance, extending waiting period or increasing rates and adding severer limitations "is not correcting the condition but rather compromising with the uncertainties of the problem." He said waiver of premium will be continued at present rates, although this question also has been studied and in issuing the new rate book now in preparation it may be found necessary slightly to increase the waiver rate.

### Midwest Life of Nebraska

The Midwest Life of Lincoln, Neb., although it has not decided the details of its action on disability, states it undoubtedly will continue to issue waiver of premium and double indemnity and will have to make restrictions in benefit or raise premiums for income disability. In the bulletin to agents the company says, "It may be better to discontinue the latter unless we can administer it in a liberal manner so as to make it attractive."

The Southland Life of Dallas has discontinued disability income, effective Dec. 1, but for the time being will continue waiver on the old basis. P. V. Montgomery, vice-president and actuary, states: "In studying the question to determine what action should be taken by some companies, in attempt to discover some basis on which income disability

## Supervisors' Clubs Are Productive of Benefits

A comparatively new movement of limited growth so far is the supervisors' club, of which there are only three in this country, so far as is known. The first was started in Chicago three years ago and the idea has spread to Pittsburgh and Detroit.

The objectives are the development and dissemination of new ideas, discussion of mutual problems and fostering of closer relations between offices. The idea caught on so at the Pittsburgh annual meeting of the National Association of Life Underwriters that a special supervisors' meeting, attended by some 200 persons, was held, lasting four hours.

The supervisors clubs in Chicago, Pittsburgh and Detroit, each with a membership of about 25, have proved a practical way of developing a free interchange of information and cooperation between offices where it might be embarrassing or inadvisable for the general agents to deal directly on matters.

The qualifications are membership in the local life underwriters association and being actually in supervisory work.

Harry Walters of the Penn Mutual is president of the Chicago club and Samuel Leland, Jr., Aetna Life, is secretary. The club meets monthly, having a set subject for discussion. Walter Boireau, State Mutual, is immediate past president and has had much to do with development of the activity.

could be safely issued, every conceivable form of modification of policy provision and premium rate was considered. Our conclusion is that rather than attempt to write the benefit on the highly restricted basis and at greatly increased premium rates that would be required, the best interests of policyholders, agents and company would be conserved by the complete discontinuance of the issuance of the benefit.

### Peoples Life of Frankfort

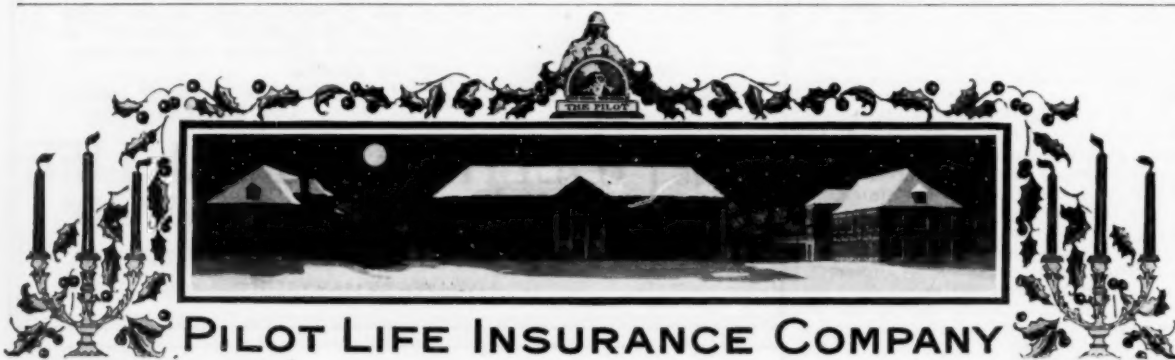
The Peoples Life of Frankfort, Ind., will discontinue disability income Dec. 31. President E. O. Burget states this action was taken by the board after mature deliberation and consideration of all angles of the business. He says, "We are in the life insurance business and not the health and accident business. The companies reporting to the New York department for the year 1930 show a deficit of about \$46,000,000 for that year on account of income disability and over 70 percent of the American life companies have or will discontinue its issue Jan. 1, 1932." He said the Peoples Life is not yet in the red on the disability account, but would be if the income clause were continued, as no rates or reserves have yet been found to cover the risk, which is an increasing one.

The four months waiting period is changed to six months in the waiver clause. Rates for waiver are increased 50 percent over those shown in the rate book dated July 1, 1930, and supplements thereto. The company will write waiver for women only on those who are single and self-supporting and then only at rates double those for men, with the benefit ceasing at marriage. Disability must occur before policy anniversary nearest age 55. Waiver for men and women will not be issued on any policy less than \$1,000.

The National Standard Life is discontinuing disability income Jan. 1.

### Looking Over Candidates

J. P. Carroll, assistant superintendent of agencies for the Lincoln National, has been in Cincinnati looking over the ground with a view to selecting a new manager for the territory in view of the recent resignation of R. W. Gilchrist, who is now general agent for the ordinary department of the Life of Virginia in Cincinnati.



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for a Christmas Season filled with Peace and Joy  
and a New Year replete with Happy Days



## Dunham Tempers Valuation Stand

(CONTINUED FROM PAGE 1)

It was freely predicted in New York last week and also in Hartford, that Commissioner Dunham's stand under the state law would enforce many companies out of Connecticut but it is now known that Col. Dunham will apply pressure only where it is needed. By the use of discretion regarding licenses Col. Dunham will be able to aid many companies, fundamentally sound, to pull through the present crisis.

Col. Dunham states that he has not stood for any "definite figures of valuation because it would be as yet premature to do so" and that he has not "fixed any figure of valuation of any security to be used by Connecticut companies in the fulfillment of their own definite statutory obligation."

He has, however, reiterated that he cannot, under law allow the use of June 30 figures. These prices, incidentally, he says were higher than average for the year and much higher than the average prices of the last six months.

### Why Not June 30, 1929?

"If the reporting officers of insurance companies," he said, "can be justified in throwing overboard all considerations legitimately bearing on the determination of the values of securities at the date of the financial statement, and may lawfully substitute arbitrarily for prices thus properly determined, quotations of June 30, 1931, why stop there? Why not take prices of June 30, 1929?"

Col. Dunham rapped the stand of the committee on valuations, asserting they failed to consider the most significant prices of all, namely those of October, November and December of the present year. He denies that a true report of values of securities will cause their sacrifice at current low levels and states this argument to be "devoid of logical force."

The responsibility of the success or failure of a company Col. Dunham places squarely upon the shoulders of the executives. He states his office has only enforcement of law and that as long as companies do not violate law "the officers and directors of such companies are solely responsible for the success or failure of their great institutions."

### Opinion Has Changed

Hartford companies are vitally interested in Commissioner Dunham's stand. When he first announced his intention to demand Dec. 31 figures he was supported publicly by many leading executives including the presidents of four fire companies here. Changed conditions, however, since September, have been recognized by some of their leaders and it has become known that there has been a complete reversal of opinion by some executives so that they now stand against Col. Dunham instead of in support. For the companies who have "paid more attention to Wall street than to underwriting," they have no sympathy but they feel that cooperation should be extended to companies "fundamentally sound" which find themselves in an embarrassing situation through no fault of their own.

Besides the opposition now rife in the fire companies it is known that life companies also object to the stand. The president of one life company, in particular, has never been in favor of the Dec. 31 ruling.

But there has been no solution to the problem proposed except the general and rather broad hope that a more liberal interpretation of the statute be made.

### Appeal Is Considered

It is known that one company discussed the possibility of carrying the case, through the governor, to the attorney-general of the state. Commissioner Dunham, in commenting upon this stated that he would welcome an opinion from this office as he believed

it would merely further strengthen his position.

Since his stand was announced Col. Dunham has been subject to severe pressure in many forms which include the writing of anonymous letters, threats of law suits and injunction proceedings and other resorts. He has held steadfastly this opinion, however, and when pressed harder merely shrugs his shoulders with the comment, "Don't quarrel with me; if you have any disagreement regarding the law go to the state legislature and have it altered. I don't make laws. I enforce them."

The outcome of the matter is still in doubt. There is definite assurance that June 30 values will not be used but on the other hand it now seems certain that there will be temperance and discretion applied by Col. Dunham rather than a hard and fast rule.

## Country Seeking Rightful Levels

(CONTINUED FROM PAGE 2)

situation. Altogether, the country is suffering from lack of vision, sagacity and wisdom shown in agriculture, industry, commerce and finance.

### Want Government Not to Encroach

Practical men of affairs who have delved into the subject naturally cannot predict when a change upward will be manifest. Certainly, the time will not come until people and business are adjusted to lower levels and a saner course. It is generally hoped in business centers that the government will not try to run outside activities too much. For instance, there seems to be criticism of the administration encouraging a home building plan at a time when the country is over built. There are plenty of modest homes to be bought today without building any more. That plan in the opinion of many runs counter to a basic principle. Observers take the ground that nothing can be gained from building more homes—there are already too many.

There seems to be a general agreement that there must be a public uprising and a strong expression of public opinion against an increase in governmental expenditures. That is one of the most ominous clouds in the sky. Our tax burden is becoming too great. There are too many people feeding at the public crib. There are too many governmental activities and these have increased expenses enormously.

This certainly is a time when leaders in all lines should work together toward a reestablishment of wise and constructive ways of living and doing business. No country can defy economic fundamentals and expect not to pay the penalty.

### Will Changes Be Fundamental?

Naturally if the period through which the country and, in fact, the world is passing means entirely a new order—economic, financial, business and social—and this is an epoch-making history time instead of a cycle of depression following a war and years of unprecedented prosperity, an entirely different attitude should be assumed and another course should be pursued. If Mr. Lippman is right then there will have to be an entire reorganization of civilization and its machinery. If on the other hand, as most economists believe, this is simply a reaction to an orgy of speculation, extravagance and over-production then history can be studied, the world will right itself when sanity returns and obligations are met and we will again see brighter days but with few fundamental changes.

### Depressions of the Past

The depressions that have fallen on America, for example, occurred in 1814-20; 1837-42; 1857; 1873-79; 1882-84; 1893-95; 1907; 1920-21. As one studies these interesting periods, in some respects they were worse than conditions confronting the country today. For instance the depression of 1837 saw busi-

## Who Are Buying Life Insurance These Days?

Buyers of big policies for the past month, according to an analysis made by the Lincoln National Life, were more frequently found among professional men. Physicians and surgeons led the list of those who purchased policies of \$10,000 or over by quite a considerable margin. Next in line were owners and managers of laundry concerns. Third place was held by commercial travelers. Building operations throughout the country seem to be improving if the fourth place held by men in that line of work can be taken as an indication. Dentists and hotel men were next in order. Other occupations high in the list were collectors, managers of iron and steel works, dairy workers, factory and bank managers, wholesale and retail candy dealers and delicatessen owners. One bright spot revealed by the analysis proved that not all the unemployed are broke or badly bent. A large policy buyer was listed as "No present occupation."

ness of all kinds sink to lower levels than are found today. Likewise the panic of 1873 was worse than that of today. One thing can be said and that is that America is far better able to stand the strain of depression than it was in former years.

Far-seeing economists, therefore, do not agree with Mr. Lippman and take the position that America is not confronted with any gigantic upheaval in her method of doing business and living but that in due season the depression will have subsided and prosperity will again follow. But there will be other periods of depression in the future. It is certain that history repeats itself.

### How Prosperity Can Be Hastened

One writer recently made this observation: "Prosperity will be hastened if our private and public policies are even measurably wise and if our people insist upon strict economy in the operation of their government, federal, state and local. It will be hastened if our government discontinues its unwise attempts to assist the farmer by artificial measures and if the demagogue is restricted in his effort to secure federal funds for all sorts of groups and for all sorts of enterprises."

## Atmosphere Now Is Being Cleared

(CONTINUED FROM PAGE 1)

decided to eliminate it. This competition will be felt more and more as the companies that have the advantage will use it very forcefully. Some companies that have a good running start hesitate to do anything in these days when business is hard to get that will discourage the field forces. Where a company has been able to show a fairly good record on its disability underwriting and has not lost much money, it will be inclined to keep the clause in its policy in a form, however, that will not subject it to abuse.

### Holcombe Washington Speaker

Addressing the managers' section of the District of Columbia Life Underwriters Association in Washington, J. M. Holcombe, Jr., manager of the Life Insurance Sales Research Bureau, stressed the importance of sound agency building under present economic conditions. H. Lawrence Choate is chairman of the managers' section, the program being under the direction of Earl D. Krewson.

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—By Albert G. Borden.... Price \$1.50  
Shows the various ways that life insurance can serve in the administration of an estate. Includes many illustrations and graphs. Order from The National Underwriter, 41946 Insurance Exchange, Chicago.

## Christmas, 1931

*The Penn Mutual Life Insurance Company,*

looking back upon a year of peace, goodwill, and fraternal association among all branches of the vast life underwriting organization, and upon the production harvest which, for the benefit of the nation, has been gathered from faithfully industrious devotion, tenders to every member of the institution of life insurance, and to the press which supports it, its best wishes for a Merry Christmas and a joyous holiday season.

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**L**IFE INSURANCE can be explained in plain, everyday language. The facts can be simply stated. People need to be told about life insurance by one who knows life insurance and its adaptability. Salesmen of integrity, ability and courage who will work systematically and plainly state the facts of life insurance service will be Masters of their craft and successful.

THE MUTUAL LIFE OF NEW YORK, with its long history of increasing success, offers opportunity. It writes Annuities and all Standard forms of life insurance. Double Indemnity Benefits. It has many practices to broaden and expedite service for Field Representatives and for Policyholders.

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## Extend Time to Pick President

(CONTINUED FROM PAGE 4)

International Life of St. Louis. Duggan charges that the company had large deposits in certain banks in Tennessee and Kentucky which closed their doors shortly after the failure of Caldwell & Co. The company had on deposit about \$872,000 in the Bank of Tennessee, a Caldwell bank, when it closed. This deposit was secured by collateral, some of which was found to be of doubtful value.

Records show that Duggan bought three shares in 1927. In 1928 he acquired another share at \$20 a share. In 1930 he acquired a share at \$10.

### Extension Deemed Wise

Those acquainted with the Missouri State's problems consider that the decision to extend the time limit for choosing a new president is wise. It is understood that among others two outstanding life insurance executives have been approached. Their present connections are entirely satisfactory to them. They are owners of large blocks of stock in their companies and going to another company would mean turning over the welfare of their investments to someone else.

The question of leaving such a connection and taking the helm of a company under ordinary circumstances would be something requiring considerably more than snap judgment. The question of assuming the presidency of the Missouri State, with its problems requiring active executive leadership obviously requires even more pondering.

### Should Be in Active Control

It would probably be desirable, both from the company's point of view and the incoming president's, if he is to be in active control, that the new chief executive should own a sizeable block of Missouri State stock. Finding a man who is in a position to take on the presidency and has the money to invest is something of a task. A man who has considerable stock in the company with which he is now connected would hardly be likely to want to sell out his holdings at what he could get in the present market.

### WOODWARD, DAWSON SPONSOR

LOUISVILLE, Dec. 17.—Ernest Woodward, attorney for the Inter-Southern Life has verified a report that he had recommended Judge Dawson for the post, provided the factions did not reach agreement.

It is understood that the salary would be \$40,000 or much more than a federal judgeship. Whether Dawson would seriously consider the offer or not, remains to be seen.

## Noted Speakers Before Presidents

(CONTINUED FROM PAGE 3)

their agents and to the agents themselves for their education, supervision and satisfactory remuneration.

There are serious problems and grave dangers confronting the American people, Thomas J. Tyne, vice-president and general counsel National Life & Accident, said in his paper "Protecting the Progress of a Self-Reliant People," but he has confidence that they will meet these tendencies with the courage and self-reliance displayed by their ancestors.

### Several Dangerous Trends

One tendency he fears is toward centralization of power in the federal government, which may seriously interfere with the time-honored theory of state rights. Another trend, he said, is the "very dangerous tendency to supplant a self-reliant individualism by an appeal to the government for aid and protec-

tion." Business and government, he said, have two different spheres of operation and must not be merged in any wholesale plan and system.

Arthur Capper, U. S. senator from Kansas, in "A Plea for National Unity," urged that this is a time when partisanship must be put aside. He sees the east and west growing even farther apart and the west and south combining to maintain both economic and political status. He finds need for a united attack on what he considers the greatest problem, that of agriculture. Another is supervision of giant corporations as their tremendous power of wealth and organization may be utilized not for their benefit alone, but to the interest of the nation. He said the country suffers from a surplus of laws and government.

### Farm Editor Speaks

C. F. Collisson, farm editor Minneapolis "Tribune," in his talk on "Self-Reliant Agriculture," gave high lights of the so-called "Minnesota plan," tried out among farms of the northwest ten years with considerable success. It has four main points: (1) To survey a community to find out what kind of agriculture is successful; (2) to give wide publicity to the best methods for the benefit of farmers who are not getting ahead; (3) to induce business men to lend their ability toward organization, cooperation and leadership of farmers; (4) to provide means to finance farmers who want to change over from the wrong kind of farming to the right kind.

### Canadian on Program

Maj. W. D. Herridge, Canadian minister to the United States, spoke on "Self-Reliance as a Factor in National Upbuilding." He said conditions in Canada are definitely better. Although a survey of world conditions offers little prospect of an early end to the depression, he said, and no nation regardless of its resources can expect prosperity for some time to come, it is unthinkable that any nation would commit itself to a policy of complete inaction. Industry, he said, has shown a vigor and resourcefulness and agriculture a fortitude and patience which are the surest guarantee of ultimate triumph.

Alfred Hurrell, vice-president and general counsel Prudential, expressed the somewhat novel opinion that life companies do not suffer at the hands of legislative bodies, as grievously as most legislative critics assert. He said that there has been much adverse comment about the number of laws passed, but out of 1,214,779 bills proposed in the various legislative bodies of the United States from 1906 to 1931, only 308,752 or 25.4 percent became law. "The legislative eliminator is 75 percent effective," he said.

### Experience Reassuring

"The experience of life insurance with the legislative bodies of the country during the past 25 years has been reassuring," he said. "If ever there was an example of the principle of 'open covenants openly arrived at,' it has been in the discussion of legislative proposals with legislators by representatives of the institution, and the result of this policy has been the building of a mutual understanding and respect."

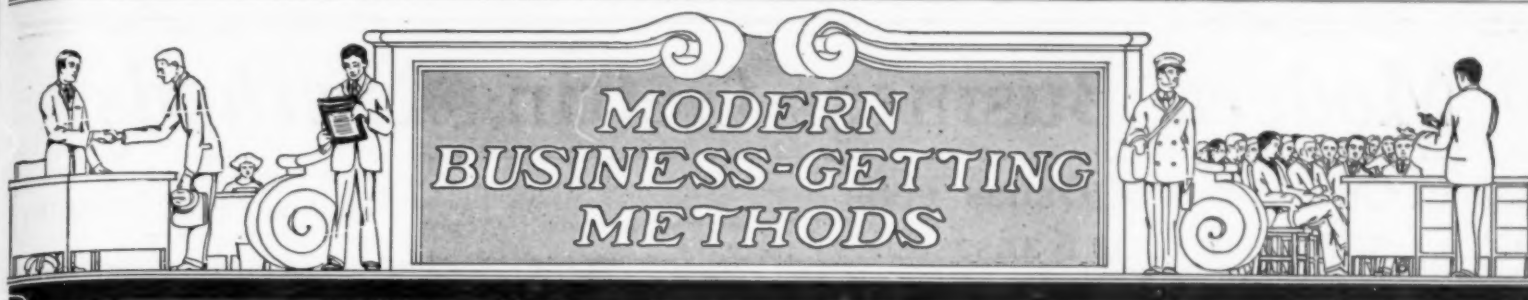
"While life insurance makes a very heavy contribution to the cost of government, experience would indicate that a majority of the legislators recognize in it one of the pillars of the democracy they serve, and this knowledge has arrested many an ill-conceived raid on the policyholders' funds."

Mr. Hurrell included in his paper an analysis of bills introduced and bills which became law in the various states and in congress for each year since 1906.

### Write Ex-Champ Wrestler

The North American Life of Chicago has just issued a \$50,000 ordinary life policy on Gus Sonnenberg, ex-champion heavyweight wrestler, written by the Newark agency.





## Abner Thorp Brings a Message to Producers of Life Insurance for the Year That Is Just Ahead

Abner Thorp, Jr., editor and manager of the "Diamond Life Bulletins," published by THE NATIONAL UNDERWRITER, sends out with each monthly installment a monthly letter which sizes up the current life insurance situation as completely and as satisfactorily as anything that is published. Mr. Thorp is a recognized expert and what he has to say each month about what has taken place and what the probable developments in the business will be is of the utmost importance. He indulges himself in no idle or partially considered speculations, but instead speaks with authority. His contacts in the life insurance business are such as to make it possible for him to know whereof he speaks.

Subscribers to the Diamond Life Bulletins look forward each month to the personal word that Mr. Thorp includes in his monthly installments. Life insurance men will be interested to read what Mr. Thorp has to say regarding the outlook for 1932, which is contained in the subjoined:

### Farewell to 1931 Which Carried Its Lessons

"As we pass into a new calendar year, there will be very few of us, I am sure, who will be sorry to say 'farewell' to the one now moving into the irrevocable past. And yet, we may perhaps look back upon it in the future as the year which taught us many profitable things—courage, for instance, and patience and economy and other constructive virtues which will fortify us substantially for battles yet to come. Let us then be thankful for these opportunities of growth while we turn our faces with confidence toward the immediate future.

"But what of the year just ahead? How shall we greet it and what plans shall we make to turn its fresh opportunities to account? The following suggestions are offered as among those most likely to accomplish the end desired.

### Some Suggestions Made for the Year Ahead

"Bet on yourself. Show sufficient confidence in your business and in your personal earning ability by adding immediately to your present Life Insurance holdings if a careful survey shows these to be at present inadequate. Nothing will stimulate you with enthusiasm for this business and with a renewed determination to make good as will such a bet on yourself.

"Make detailed and definite plans for the coming year. Turn to the 'B Section' of the 'Diamond Life Bulletins' or some other available source of reminders, and lay out a definite program, including the income you will require, the number of cases of various amounts which you wish to close, the number of calls and interviews you will have to secure each day, what and when you will study, etc. In short, put all of your objectives down upon paper and keep the program constantly before you during the year to remind you of your goals.

"Learn profitable prospecting. Next

year, more than ever, the question of prospecting will assume great importance for, while we may expect business to improve slowly during 1932, it is generally conceded that total corporation profits will be no greater than this year and some lines of business will be even harder pressed as recovery begins to take place. You will, therefore, have to pick your prospects carefully, on the basis of their 'surplus income,' 'condition of their lines of business,' and their 'insurance needs.' The best way to select such a list and to keep your file freshly supplied with such names during the year is to master and adhere to the 'endless chain system' and the 'center of influence,' using friends and policyholders primarily as sources of new names, being sure to select with extreme care the lists of persons to whom you are to devote your time.

### Necessary to See More People in the Day's Work

"See more people. Never forget that the difference between the man who is succeeding and the man who is failing in this business is often so slight that it would be amusing if it were not so tragic. Many underwriters are going through all the motions of selling without making anything but a bare living, whereas others are doing just about the same things but they are doing those things more frequently and more regularly and possibly a little more skillfully and are earning substantial incomes adequate for their needs. Perhaps the difference between success and failure for you in 1932 will depend upon one extra hour's work a day or one extra evening a week.

"Determine upon at least one thing: That you will add at least one closing interview a day to your usual average during 1932.

"Stick a little longer. Remember that

a good many business men have fallen into an attitude of mind which makes them habitually say 'No' to any proposal for the expenditure of money. You will encounter more of these 'Noes' in 1932 and to offset them you will have to stick a little longer with each prospect and press a little harder for favorable answers. A good motto to adopt is this: 'Make the prospect say 'No' five times during your closing interview before you leave him.' You will be astonished at the results.

### Proper Appeal Will Have Great Influence on Prospect

"Use the proper appeals. There are three primary 'appeals' which may be used successfully in 1932:

"1. The presentation of life insurance as an investment.

"2. The presentation of life insurance as a means of recouping property losses immediately, thus keeping the estate intact.

"3. The placing of new insurance, arranged to supplement amounts already owned, in order to 'clean up' indebtedness remaining at death and provide a minimum living income for the family for as long as present premium-paying ability will permit.

### Should Do One's Work Well Through Every Day

"Be confident of yourself and of the future. There is no need to doubt the future. All the signs point to the beginning of industrial recovery in 1932. True, the road back may not be so easy or so speedily traversed. But, do not forget that during this depression life insurance has had an enormous amount of advertising and millions of people realize today that a life insurance premium is about the only investment which a man can make and at the same time obtain real security and definiteness and stability of income when that income shall be most needed. Take advantage of that knowledge. The insurance-owning public are favorable to us as never before and just as soon as the present fear-psychology has been dispelled millions and millions of life insurance will be bought from underwriters who have

## Postal Savings Figures Show Money Is Abundant

As evidence that money with which to buy insurance is abundant and that the life insurance salesman's job is to locate those with the capacity to buy, the Mutual Trust Life of Chicago cites the figures as to postal savings deposits in Chicago. In December, 1930, those deposits amounted to \$6,189,664 and there was an increase each month of about a million dollars until April of this year when the increase became much more rapid and at the end of the first 20 days of October the figure was \$33,000,000. "Proof sufficient," the Mutual Trust said, "that hard times converts thriftless persons into savers. That the people of the United States more than ever before have money to buy life insurance is evidenced by the tremendous increase in the volume of deposits in the low interest return postal savings bank—that the people of the United States are more interested than ever before in the safety of principal. The problem of the life insurance man today is to find these moneyed people."

sown seed in the meanwhile by keeping regularly at work among profitable groups of prospects.

"In short, if you will do your work well each day through 1932, you will not only write an immediate business satisfactory to yourself, but you will be laying the foundation for comparatively large production as soon as prosperity returns.

"As to yourself, believe in your own powers, your own business—a business for which there is no substitute whatever under the sun, a business without which either we should be compelled to adopt some form of socialistic government relief in sickness, unemployment, old age and premature death or we should have to extend our alms houses until they would become more numerous than schools.

"Therefore, be thankful to the divine providence which has inspired men in the past to the organization of an institution which embodies in a unique way the benefits of people acting together for a common purpose and yet maintains those principles of individualism and private property upon which our great civilization is based.

"See the institution of life insurance in its true light and you will never again lack confidence either in your own ability to present it or in the beneficent service which it alone can supply."

### Life Insurance Proceeds Taxed

MILWAUKEE, Dec. 17.—County Judge Karel has ruled that the widow of Edward Freschl, president of the Holeproof Hosiery Company, must pay an inheritance tax on \$310,000 of her husband's life insurance for which she said she had paid premiums. The court held the premiums were paid from the income of stocks Mr. Freschl had given his wife.

C. O. Brooke, who has been associated with the Acacia Mutual, has been appointed general agent for the Michigan Life at Columbus, O. He is now organizing an agency staff for central Ohio.

## How a Millionaire Answers

"I am not ready just now—I will take it up later."

There are a great many ways that this could be answered. I think the most important thing for the life underwriter is to determine whether the man is really "not ready," or whether it is just the usual "stall" or excuse. I should say that in 90 percent of the cases it is just simply a "stall." You might say, "What do you mean by taking it up later?" In this way the man whom you were talking to would be on the defensive and would be endeavoring to defend his position, or you might say, "How long do you want to put this off?" If the man is sincere and only wants to put it off for three months or so, this objection could be met by putting the insurance on a short term basis for three months or by taking his note, or putting it on an irregular premium basis.

You could say to the man, "Here are two obligations; one for \$15,000 that your beneficiary will have to carry that you can relieve her of by you yourself assuming the obligation of paying \$400 or \$500 a year. I often tell them that I personally carry \$190,000 worth of insurance and that my premiums amount to approximately \$6,800 a year, and that the premiums worry me considerably but not nearly as much as the other situation would worry me. In other words I would prefer to assume an obligation of approximately \$6,800 a year rather than have my beneficiary meet the situation she would have to after my death occurred. It is very much easier for me to assume a saving of this kind than for her to meet the other situation.—Harry T. Wright, Equitable Life of New York, Chicago.

# Modern Business-Getting Methods

## O. Sam Cummings of Dallas Tells Life Underwriters at Kansas City How to Make 1932 a Better Year

KANSAS CITY, MO., Dec. 17.—O. Sam Cummings, general agent in Texas for the Kansas City Life, formerly president of the Kiwanis International, and widely known as an agency executive, told approximately 100 members of the Kansas City Association of Life Underwriters how to make 1932 a better year.

There is nothing spectacular nor magical in Mr. Cummings' proposals. If life underwriters will prepare themselves better, make their prospecting more intelligent; analyze the needs of clients with more foresight and acumen, get sales talks that are related to living, present conditions; raise the quality of their business; strive harder for a higher percentage of renewals, organize their time to better advantage and use more of it actually talking to prospects—then 1932 unquestionably will be a better year, if not the best, for insurance men, he said.

### Poor Mental Attitude Beginning of Failure

There is no need for a poor mental attitude, which is the beginning of failure. The business has earned and demands the respect of those in it, and therefore of those out of it—the public. If they would admit it, most underwriters are inadequate to their task—they are insufficiently prepared, he asserted. The buying public today is intelligent, having learned much in the past three years. The underwriter must meet the challenge of this intelligence.

Prospecting, Mr. Cummings explained, is a matter of selecting people who can and will buy insurance, and then selling it to them. A life underwriter doesn't need to sell either rich men or unemployed. He may be unable to get to the former, and it wouldn't do any good to reach the latter.

Losing business is the result of the underwriter failing to sell insurance for needs and desires rather than "just selling it." If insurance has been connected in a sufficiently forceful way in the policyholder's mind with a purpose he is seeking to accomplish in life, or a need he is seeking to fill, then he will keep his insurance. On no other basis is it likely to stick.

Few underwriters have an idea in their sales talks newer than 1927. S. O. S. sales talks, Mr. Cummings calls them—"same old stuff." The prospect himself could repeat it from memory. Make

sales talks apply to present day problems, conditions and needs. Mr. Cummings warned underwriters. People today are thinking, not in terms of speculative profits, as in 1929, but in terms of security.

### Seek Larger Premiums, Get Better Settlements

Business with larger premiums should be sought, and not so much term. Insurance for savings, insurance for men of older ages, and so on, will bring the volume up. If insurance men cannot make a financial success of their busi-

ness, they are doing the public no service, no good, whatsoever. Their success is the measuring rod of their ability to serve.

"Get better settlements," Mr. Cummings urged. "Don't be afraid to ask 100 cents on the dollar at the time of the sale. You've earned it, the insurance is worth it. Never offer credit, let the man ask for it if he needs it. And ask for full settlement—he may give it to you."

One man in Mr. Cummings' organization wrote approximately \$400,000 in insurance in two months. Analysis of his work showed that he spent 12 hours actually in the field each day. Harder work is essential, as well as the underwriter's ability to marshal well himself and his facts.

Elbert Storer, president of the National association, will address the Kansas City association Jan. 12.

## Gives 1932 Program



O. SAM CUMMINGS  
Dallas, Tex.  
Texas General Agent Kansas City Life

## AGENCY MANAGEMENT

### Five Major Habits Deemed Prime Requisite in Retraining Veterans in Slump Told by J. S. Drewry

Five major habits must be developed in older men in retraining them to meet changed conditions at present, J. S. Drewry, Ohio general agent at Cincinnati for the Mutual Benefit, told the general agents and managers division of the Chicago Association of Life Underwriters at its December meeting. The same general rules apply to training new men.

First and of utmost importance, he considers, is the habit of thinking of insurance as the most desirable way of accomplishing the things which every man wants to accomplish; in other words, the habit of evangelism. Mr. Drewry said the enthusiasm of an evangelist can overcome almost every obstacle. He considers the present the most opportune time to develop this ability of evangelism among life agents.

#### Prospecting Very Important

Second in importance he lists prospecting, continuous, never-ending prospecting, without which, he says, it is impossible for any producer to avoid a slump.

Third, the study of some sales presentations. He urges agents to catalogue one or two uses of life insurance around which to develop presentations, as he finds most agents do best when they specialize to this extent.

Fourth, he lists sustained, directed effort; the consciousness of well-thought-out effort directed industriously toward a definite goal.

Fifth, keen spirit; agency consciousness.

Among the many agencies for developing these worth while habits Mr. Drewry finds personal contacts the most effective. They give the manager or general agent an opportunity to drive home what Mr. Drewry calls "fact information," to tell real life stories, illustrating points and pointing morals.

"Records are absolutely necessary," Mr. Drewry said, "if the manager is to help the man become conscious of what he must do to stay in the business. The greatest difficulty which may be ex-

perienced here is the confusion which may result from requiring too many records. Then too, unless a record is used by the man himself, it cannot be effective." He said in his large agency great effort has been spent in condensing records which are required to a point where the men will use them consistently and conscientiously.

Four success factors are pointed out to new men in the Drewry agency, volume of production, number of sales efforts, hours face to face with prospects and number of new contacts. The week's work is analyzed and these facts are brought home to the men. This is bolstered by weekly bulletins driving home many worth while points. In addition, ledger statements are sent showing the financial status of the agent.

#### Necessity Develops Agents

"Old Man Necessity is a great help in keeping a man doing things," Mr. Drewry said. It is good occasionally for men to know how much or how little money they have made in the business in first year commissions and renewals. These weekly reminders also point out the date when the last application was submitted by the agent, the number of applications to date in the year, amount of written, paid and declined business, etc.

A second activity in the Drewry agency is classification of agents' efforts and results confidentially for the guidance of the office. Once a year a list of all the men is made with notations as to their financial irresponsibility, whether they are lazy, whether they are not yet established but have potentialities, etc.

Mr. Drewry lists among other worth while factors in training and retraining men, supervision and demonstration, bulletins, contests, rating.

"We in life insurance have the opportunity," he said, "of making evangelists of all our worth while men capable of thinking. Any man to be permanently successful has to build a property account to carry on after his income ceases or is reduced. Investment for

profit may serve no useful purpose whatever. Yet I am willing to bet the average man if he were asked would say that he invests for profit.

"The two big needs in any investment program are to furnish an income in later life to the individual and to furnish an income to his family when he is gone. Life insurance functions where other property does not. There are two other uses of property—one collateral and the other for liquidation. Some 85 percent of the people who liquidate their investments do so at the wrong time. The investment profit of the average man must give him his current bread and butter."

Mr. Drewry said it is the custom in his agency regularly to send out blanks to all the policyholders asking for personal experience on the collateral value of life insurance; how it compared with other investments in that respect. Many policyholders reply and much useful data has been gleaned which has been passed on to the men in the agency.

This fund of personal experiences of life insurance policyholders and beneficiaries is added to by the consistent following down of every death claim of worth while amount to determine the story behind it; how the life insurance proceeds were used, etc. These real life stories prove invaluable to Mr. Drewry's agents.

#### Shows Trust Funds Safe

Some 70 life insurance executives, leading producers and trust company officers attended the meeting of the Boston Life Insurance Trust Council when Gwilym A. Price, vice-president and trust officer of the Peoples-Pittsburgh Trust Co. of Pittsburgh, spoke on "The integrity of trust funds in the hands of corporate fiduciaries."

Recent bank suspensions and failures, said Mr. Price, instead of shaking public confidence in corporate trusteeships have only served to call the attention of the public to the safeguards and protection thrown around trust estates committed to banks and trust companies. He explained what happens to trust funds when a bank suspends and showed that in such cases the suspension need not involve trust assets and need not affect trust administration.

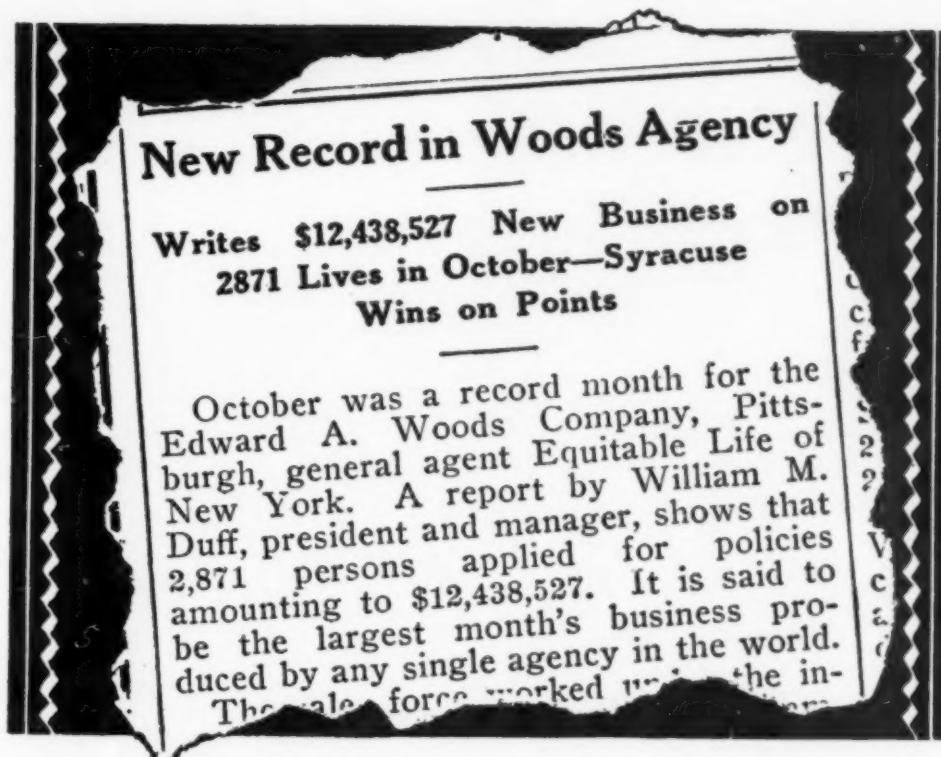
### Agents Participate in Company Song Contest

A contest among agents for a permanent company song to be presented at the silver jubilee convention in Chicago, Jan. 14-16, has just been concluded by the North American Life of Chicago. Entries closed Dec. 15. Judging is being done by Carleton Coon and Joe Sanders, leaders of the famous Coon-Sanders "Original Night Hawks" radio dance orchestra. Both are policyholders of the North American. There were approximately 50 entries in the contest, developing a hitherto unsuspected amount of lyrical and musical talent in the agency force. Prize for the winning song is \$50.



# Did Somebody Say "Depression"?

Woods Agency Writes Largest Month's Business on Record in October



## We're proud of our largest Estate-O-Graph franchise holder

ISN'T it significant that this largest life insurance agency in the world is also the largest Estate-O-Graph franchise holder? The Woods Company of Pittsburgh began using The Estate-O-Graph in 1930. In 1931 the Company renewed its annual contract for an increased amount.

The Estate-O-Graph can't claim much, if any, credit for the remarkable record The Edward A. Woods Company has made during two depression years. Such success is not achieved through any one, but through a perfect coordination of *all* the best elements of management. However, The Estate-O-Graph is proud to be included as a part of the depression conquering equipment of this outstanding organization.

You have heard about The Estate-O-Graph, of course. But have you *studied* this plan of increasing contacts, educating prospects to the many advantages of life insurance, reducing sales resistance and systematizing solicitations?

The Estate-O-Graph portfolio contains sample

copies of a year's issues, and complete information regarding the service. It is sent on receipt of \$1.00. If you order the service, the dollar will apply on your account. If not, you can return the portfolio and your money will be refunded. Send for the portfolio; get the details about this sales producing plan. Since the service is sold on the exclusive basis, prompt action is advisable.

The National Underwriter Co.  
175 W. Jackson Blvd.,  
Chicago, Ill.

For the enclosed \$1.00 (check or currency) please send me THE ESTATE-O-GRAPH PORTFOLIO. If I order the service this dollar will apply on my account. If I do not order, I can return the portfolio and my dollar will be refunded.

Name .....

Address .....

City..... State.....



# Look who's coming!

**E**VEN that big bowlful of supper is forgotten when Mother calls, "Look who's coming! Here's Daddy!" And what a thrill you, as Daddy, get out of it, too!

And how your imagination leaps ahead! How you picture him in the years to come proudly saying—"Boys, this is my Dad"... and later still, in the prime of his success, "Gentlemen, my Father"... You're planning to do so much for him.

But!—Are you safeguarding those plans? Are you making sure he would have the advantages you want him to have, even if your homecomings should suddenly become only a childhood memory?

How thoroughly have you provided for his future, his mother's future, should you be taken from them?

This is a question that finds its answer, even for a man of moderate means, in Aetna's Family Income Policy.

Its outstanding advantage is that in the event of your death it will provide until the twentieth year from the date of the policy, a definite yearly income equivalent to 12% on the policy's face value, payable monthly.

A \$5,000 policy will produce an income of \$50 a month; a \$10,000 policy, an income of \$100 a month; a \$20,000 policy, \$200 a month, and so on—

And there is also a further understanding that at the end of the twentieth year from the date of the policy, its full face value (\$5,000, \$10,000... or whatever it may be) will then become payable, either in cash, or as you may otherwise direct—this, in addition to the monthly payments that will have been made since death. This is a most important feature—for in later years, when your boy is grown and on his own, such a policy will thus also assure financial support for your wife, when she needs it most.

**Y**OU owe it to that boy, or girl of yours—and to your wife—to send for our booklet, "Now We All Can Be Fair To Our Families". It tells how it is now possible for a man, even on a small salary, to provide a comfortable living for his loved ones when they need it most.



Mail This Today!

The Aetna Life Insurance Company, Hartford, Connecticut.

Please send me your free booklet, "Now We All Can Be Fair To Our Families."

Name \_\_\_\_\_

Address \_\_\_\_\_

## ÆTNA-IZE

Trained Aetna representatives in every part of the United States and Canada are qualified to offer helpful suggestions in arranging your life insurance program.

The Aetna Life Insurance Company, The Aetna Casualty & Surety Company, The Automobile Insurance Company, The Standard Fire Insurance Company of Hartford, Conn.



THERE IS AN AETNA-IZER IN YOUR COMMUNITY—HE IS A MAN WORTH KNOWING



"Look who's coming!" is a full page advertisement appearing in the December 5th issue of The Saturday Evening Post—emphasizing the value of the Aetna Life's new Family Income policy in providing for the future of a man's children. Aetna-izers tie in with these periodic messages to the public and profit accordingly.

Aetna Life Insurance Company

Hartford, Connecticut

